POWER MECH
Growth Unlimited

Powering with Purpose

Annual Report **2025-26**

Contents

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To know more about us visit our website: https://www.powermechprojects.com/investor-relations/

Investor Information

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Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Powering with Purpose

Purpose, for Power Mech, is a rule about where we go next. We enter a new business only where the work is adjacent to something we already do well, and only where the asset is one the country needs. The first half of that rule decides how we grow. The second is why the growth is worth having.

In FY 2025-26, we moved from executing packages for a principal contractor to being the principal contractor. Our entry into integrated Balance of Plant EPC, through the ₹2,550 crore Singareni package for BHEL, rests squarely on the civil, structural, mechanical, and commissioning strengths we have built over two and a half decades. Both mine developer and operator mandates entered execution, with production beginning at Kotre Basantpur Pachmo in November 2025 and the washery at Tasra advancing towards completion, each drawing on material-handling and civil expertise we already held. And our operation and maintenance business, with over 36 GW under contract and close to a fifth of India's power O&M market, is what allows us to look towards adjacent maintenance mandates such as metro O&M.

That discipline has left the business fortified: weighted towards recurring, higher-margin work, with an order book that gives us years of visibility.

Our purpose also extends beyond how we grow to why we build. The coking coal that comes out of Tasra will feed steel that India today makes with imported coal. The capacity we commission and then keep running powers factories, offices and homes. The 756 track kilometres we electrified this year keep freight moving. As India enters its next phase of industrial and infrastructure development, we will continue to build on our core competencies and contribute to the nation's growth story.

About Us

Built by Us. Run by Us.

From the first foundation to the last megawatt,
all solutions under one roof.

Building an asset and running it are usually the work of two different companies. At Power Mech they are one. We erect the boiler, turbine and generator, build the civil works that carry them, take the balance of plant on turnkey terms, and are still on site years later operating, maintaining, and overhauling the plant. In mining we have gone further upstream still, to the coal itself. We can hold that much of a site because we perform it ourselves: more than 300 cranes of our own, a fabrication facility at Noida, in-house commissioning engineers and a workforce of around 40,000. The critical path stays with us, and so does accountability for every interface on it.

Over the past two and a half decades, we have expanded our capabilities beyond power. Steel, cement and refineries; railways, metro, and roads; and now coal and mineral extraction, across India and selected international markets. What connects them is not the sector but the requirement: heavy equipment installed to tolerance, structures built to carry it, and systems kept available under contract in places that cannot be switched off.

Twenty-seven years of that work is what qualifies us for what comes next: purpose-driven growth without losing sight of the foundations on which our journey has been built.

Vision

To become a global benchmark and attain leadership position in all business verticals we operate in.

Mission

To leverage our decades of construction and technical services experience and serve as a reliable global partner, consistently delighting customers in the projects we execute and the assets we operate, while concurrently scaling the green transition and ensuring the creation of shared value across nations.

Our values

- Customer Focus
- Excellence
- Innovation and Continuous Improvement
- Integrity
- Safety
- Growth and Performance

Our Impact at Scale

Business Scale and Reach

52
Total Ongoing Projects

7
Overseas Projects

31
O&M/AMC Projects (Domestic)

Financial Strength

₹ 6,107 Cr
Total Revenue

₹ 750 Cr
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

12.29 %
EBITDA Margin

Energy and Infrastructure Impact

9,262 MW
Commissioned in the Power Sector in Overseas Markets

70,626 MW
Capacity Addition of Boiler, Turbine and Generator (BTG) and Balance of Plant (BOP)

36.25 GW
Unit Capacity of O&M and Annual Maintenance Contract (AMC)

Execution Progress

31.22+ Lakh
Metric Tonnes (MT) Construction Works

2.71 Lakh MT
Structural Fabrication Works

33.47 Lakh m³
Concreting Works Carried Out

11.8 Lakh
Inch Metres Piping at Dangote Nigeria

Execution Progress

15 Lakh sq. ft
Executed Infra Development Work within a Year at Vizag, Andhra Pradesh

546 KM
Execution of Natural Gas Cross Country Pipeline

756 TKM
Commissioned Overhead Electrification Works

Network and Grid Expansion

220 KV
GIS Substation Works

132 KV Lines and 33/11 KV SS
Commissioned in Assam and Madhya Pradesh

Our Journey

Our Track Record of Success Over the Years

Since 1999, our journey has been shaped by a series of milestones that have moved us forward. What began with our first assignment in the power sector has grown into a business of greater scale, wider reach and increasing complexity.

Each milestone marked a new stage in our evolution. New assignments opened new possibilities, business lines expanded our opportunities and geographic expansion took our expertise to new markets. Together, these moments have shaped the Power Mech of today.

Our journey is therefore more than a record of the past. It reflects the momentum we have built over the years and the experience that positions us to take on what lies ahead.

1999

- Establishment of the Company
- Diversification into the Power Sector Business

2002-2004

- First Erection, Testing and Commissioning (ETC) of 1 X 63 Tph and 2 X 165 Tph Atmospheric Fluidised Bed Combustion (AFBC) Boilers, 20.85 MW and 55 MW, Raigarh, Bharat Heavy Electricals Limited (BHEL)
- First Annual Maintenance Contract (AMC) of 655 MW Combined Cycle Dual Fuel Independent Power Producer (IPP) Power Plant, Paguthan, Gujarat Paguthan Energy Corporation (GPEC)

2007-2009

- Private Equity into Power Mech
- Primary crucial international project in Libya, establishing 2 X 157 MW 2 Gas Turbines, BHEL
- First ETC of 1 X 500 MW Boiler and Auxiliaries, Mejia, BHEL
- Building Structural, Steam Generator and Auxiliaries of 3 Boilers for India's two Ultra Mega Power Project (UMPP)

2010-12

- Major orders in Super Critical Projects, Structural Fabrication work from Shandong Electric Power Construction Corporation (SEPCO), Adani, BGR, China Light and Power (CLP)
- First major Civil Work 2 X 520 MW, (Vizag, Hinduja National Power Corporation Limited (HNPCL)), BHEL
- Entry in Industrial Sector Mechanical and Piping work in Refineries (Dahej, Oil and Natural Gas Corporation (ONGC) and Paradeep, Indian Oil Corporation Limited (IOCL))
- First major establishment of Gas Turbine and Civil Work, 4 X 100 MW, Yemen, Marib, BHEL
- Hydro Power O&M and Mini EPC

2014-2016

- Listing in Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE), oversubscribed by 38 times
- Major O&M of 4 X 600 MW at Jharsuguda, Vedanta
- Initiated manufacturing facility at Noida
- Forayed into the Steel Sector, Building and Fabrication work
- 2.7 MTPA at Angul (JSPL), alongside our work at Nagarnar (NMDC)
- First FGD Work 500 MW, Vindhyachal, GE
- Entry in United Arab Emirates (UAE), Bangladesh, Oman, Saudi Arabia, Bahrain and Nigeria

2017-2025

- First O&M project (Public Sector), Singareni Collieries
- Executed international projects at Shuqaiq, Kingdom of Saudi Arabia (KSA) and Bheramara, Bangladesh
- Developed state-of-the-art infrastructure facilities at India's first Medical Devices Park, Andhra Pradesh MedTech Zone (AMTZ), Visakhapatnam
- Diversification, iron ore material handling and associated projects
- Introduction into cross country laying of pipelines
- Strategic expansion spanning railways, roads, rural electrification, irrigation, water projects, Mining Development and Operations (MDO) and dams with pressurised irrigation system for facilitating separation of water

2026

- Entry into ingratiated balance of Plants (BOP) EPC with the package for the 1 X 800 MW Singareni thermal power project, BHEL
- Both Mine Developer and Operator (MDO) mandates entered execution, with production under way at Kotre Basantpur Pachmo and washery construction progressing at Tasra

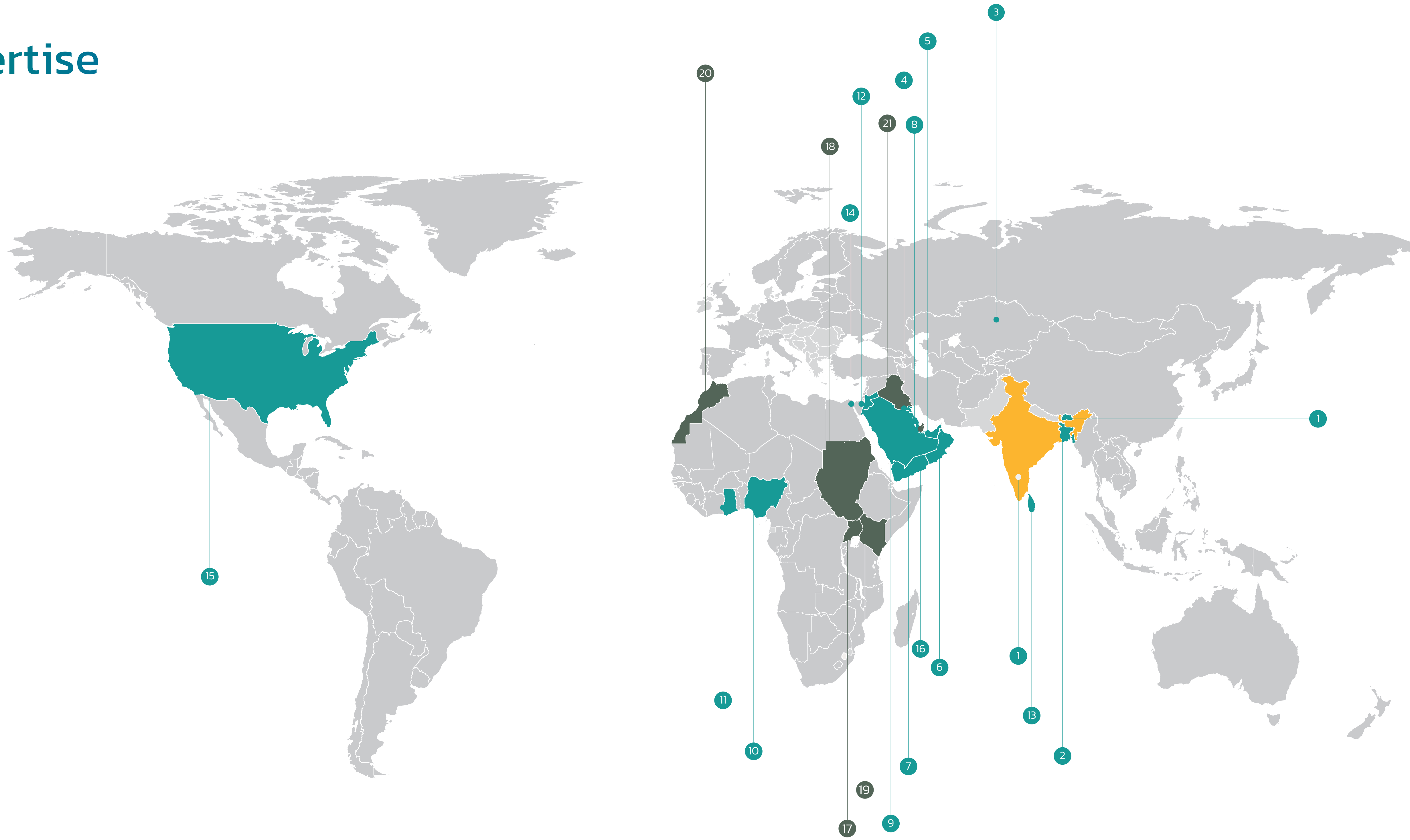
Expanding Our Footprint

Taking Our Expertise Beyond Borders

Our international business contributed 5% of revenue in FY 2025-26, with operations spanning South Asia, the Middle East, Africa and Central Asia. Over time, we have evolved the nature of our overseas business in response to changing market opportunities, moving beyond large-scale erection projects towards a greater presence in O&M services and skilled manpower deployment.

This shift has created a more balanced international portfolio, with a greater contribution from businesses that require lower working capital and provide stronger margins and greater earnings stability across market cycles. It also allows us to build deeper relationships in markets where our execution experience has created a platform for recurring engagements.

The Middle East remains our largest international market. In West Africa, our long-term captive power O&M contract in Nigeria provides an established base for our operations in the region. Our regional offices in Dubai and West Africa further support customer engagement and project execution, giving us a closer understanding of local requirements and opportunities.



Headquarters

Hyderabad, India

Established Markets

1. Bhutan
2. Bangladesh
3. Kazakhstan
4. Kuwait
5. UAE
6. Oman
7. Yemen
8. Bahrain
9. Saudi Arabia
10. Nigeria
11. Ghana
12. Jordan
13. Sri Lanka
14. Israel
15. USA
16. Qatar

New Markets

17. Uganda
18. Sudan
19. Kenya
20. Morocco
21. Iraq

Map not to scale, for representation purposes only

A Word from the Helm

Chairman's Message

To our shareholders, employees, clients and partners, thank you for your continued trust in Power Mech. We remain committed to building the infrastructure India needs, on foundations we have built ourselves.

Warm regards,

Mr. Sajja Kishore Babu
Founder, Chairman and Managing Director

Dear Shareholders,

Purpose, for Power Mech, has always been the discipline behind how we grow. Over more than two and a half decades, we have built ourselves from a power-plant construction contractor into an integrated engineering and infrastructure company. We enter a vertical only when it draws on a capability we already hold, so that each new business deepens our execution. FY 2025-26 made this discipline visible. Our entry into large-format Balance of Plant EPC, anchored by the Singareni package for BHEL, moved us from executing individual packages to owning complete turnkey systems. Both our mining contracts moved into execution, drawing on the same civil and material-handling strengths we have refined over the years. And our O&M franchise, already the largest in the country, continued to anchor the business. This is what powering with purpose means to us: growing where our strengths have already earned us trust.

Steady Through a Volatile World

The global economy grew, supported by resilient consumer spending and steady investment activity, even as escalating conflict in West Asia kept energy markets on edge and slowed growth across the wider region. For a company with meaningful exposure to overseas operations and to raw material costs tied to global commodity cycles, this was a year that demanded discipline over exposure. Our international business remained concentrated in O&M and manpower services rather than construction, which kept us largely insulated from the disruption. Foreign exchange earnings for the year rose to ₹318 Cr from ₹235 Cr and our long-standing presence across the Middle East and West Africa continued to deliver steady, annuity-like returns even as the region navigated uncertainty.

In Step with India's Growth

India remained one of the fastest-growing major economies through the year and headline inflation stayed within the Reserve Bank's comfort band. The country crossed a landmark of its own, sourcing half its installed power capacity from non-fossil fuel sources five years ahead of schedule, while continuing to add a record pace of new generation capacity. This is the backdrop against which our business operates. A growing economy needs power that is reliable and infrastructure that lasts. It also needs the resources to build both, secured close to home. Each of our eight SBUs sits inside this national requirement and the year's performance reflects how closely our growth is tied to the country's own.

India remained one of the fastest-growing major economies through the year, and headline inflation stayed within the Reserve Bank's comfort band.

A Year of Financial Discipline

On a consolidated basis, revenue for the year grew 16% to ₹6,062 Cr and EBITDA grew in step at ₹750 Cr. Profit after tax rose 18% to ₹412 Cr, aided by lower finance costs and earnings per share improved to ₹115 from ₹103 a year earlier. The Board has recommended a dividend of ₹1.50 per share for the year. Margins came under some pressure in our water division, where certification of completed work by the state remained delayed through the year, though this was offset by strong execution across our core power and O&M SBUs. Our order backlog, including long-tenure mining contracts, closed the year at ₹55,151 Cr, giving us multi-year visibility into the business ahead.

Where the Discipline Showed

Our Erection, Testing and Commissioning business remained the foundation of the year, continuing steady execution across major thermal projects for many established clients. The defining shift, however, was our entry into integrated Balance of Plant EPC, through the ₹2,550 Cr award of the 1x800 MW Singareni package from BHEL. This moves us from a specialist contractor working under a principal EPC player to owning complete turnkey delivery ourselves and it draws directly on the civil, structural, mechanical and commissioning strengths we built over two and a half decades.

In mining, both our Mine Developer and Operator contracts moved into meaningful execution during the year. Production began at our Kotre Basantpur Pachmo mine in November and washery construction at Tasra progressed toward completion. Together, these contracts represent over ₹39,500 Cr of high-margin, long-tenure order value.

We remain the country's largest operations and maintenance provider, with about a fifth of India's power O&M market and 36,154 MW under contract across 26 plants. The business continued to deliver stable, recurring revenue and gave us a natural platform to begin exploring adjacent opportunities such as metro maintenance.

> We remain the country's largest operations and maintenance provider, with about a fifth of India's power O&M market and 36,154 MW under contract across 26 plants.

Technology as a Multiplier

We continued to invest in the digital backbone of our execution. ERP-based monitoring and dashboards now track our dispersed project sites in real time, supported by drones and digital commissioning tools that shorten project timelines. On the operations side, our Computerised Maintenance Management System (CMMS) and IoT-based predictive diagnostics are helping raise plant availability for our O&M clients.

Responsibility Beyond the Balance Sheet

During the year, our corporate social responsibility was directed largely towards healthcare, education, women's empowerment and rural development across the communities where we operate. We also advanced a solar initiative under Bihar's PM-KUSUM scheme through our subsidiary Suryatna. Our workplace continued to maintain a zero-tolerance approach to harassment, with no complaints reported for the year under the POSH Act.

The Road Ahead

As we enter FY 2026-27, our priorities remain clear. Execution comes first, always. We intend to convert our EPC entry into a position of leadership, and to grow our order book selectively rather than aggressively, weighted toward BOP EPC and O&M. We will deepen our position in mining. Our O&M business will keep expanding, including into urban mobility, an opportunity we are approaching deliberately and off the strength of our existing franchise rather than as a leap into the unfamiliar. We will also continue consolidating our international operations. This is the same discipline that has carried us for over two and a half decades, applied to a larger canvas.

To our shareholders, employees, clients and partners, thank you for your continued trust in Power Mech. We remain committed to building the infrastructure India needs, on foundations we have built ourselves.

Warm regards,

Mr. Sajja Kishore Babu
Founder, Chairman and Managing Director

Financial Progress

Financial Progress Building for the Next Phase of Growth

The Balance of Plant EPC package marked an important step in our ability to take on larger and more integrated mandates. It expands the scope of work we can undertake and creates a platform for pursuing more comprehensive EPC opportunities.

Our O&M scale also provides a strong base for entering adjacent asset-management opportunities, including metro operations and maintenance. At the same time, both mining contracts progressed into production, adding to the contribution from businesses with recurring revenue potential.

Together, these developments are reshaping the mix of our portfolio. A greater share of recurring, higher-margin businesses provides stronger earnings visibility and greater resilience across market cycles, giving us a more balanced foundation for the next phase of growth.

Total Revenue (₹ in Cr)

	YoY Growth (%)	₹ in Cr
FY 26	16	6,107
FY 25	25	5,279
FY 24	17	4,234
FY 23	33	3,618
FY 22	-	2,728

YoY Growth (%)

Asset Turnover (in Times)

FY 26	10.24
FY 25	15.59
FY 24	17.86
FY 23	19.30
FY 22	15.38

EBITDA (₹ in Cr)

FY 26	750
FY 25	649
FY 24	524
FY 23	421
FY 22	303

Return on Capital Employed (ROCE) (in %)

FY 26	22.24%
FY 25	23.10
FY 24	23.93
FY 23	22.25
FY 22	17.70

Return on Equity (ROE) (in %)

FY 26	15.49%
FY 25	16.26
FY 24	14.22
FY 23	18.05
FY 22	14.21

PAT (₹ in Cr)

FY 26	412
FY 25	348
FY 24	248
FY 23	209
FY 22	139

Net Debt to Equity (Net D/E) (in Times)

FY 26	0.03
FY 25	0.03
FY 24	(0.08)
FY 23	0.19
FY 22	0.31

Total Income Mix

ETC (in %)

FY 26	20
FY 25	17
FY 24	16
FY 23	17
FY 22	19

Civil and Other Works (in %)

FY 26	44
FY 25	48
FY 24	56
FY 23	55
FY 22	47

O&M (in %)

FY 26	32
FY 25	33
FY 24	26
FY 23	26
FY 22	30

Electrical (in %)

FY 26	2
FY 25	1
FY 24	1
FY 23	2
FY 22	3

Others* (in %)

FY 26	2
FY 25	1
FY 24	1
FY 23	0
FY 22	1

*Inclusive of income generated from EPC

Serving Industry Leaders

Driven by Trust, Rooted in Excellence

Our client relationships reflect the confidence we have earned through the delivery of complex engineering and infrastructure projects. Across domestic and international markets, our focus on quality, safety and reliable execution has enabled us to build relationships with leading organisations and serve them across diverse requirements. Many of these relationships have grown over several years, reflecting more than individual project outcomes.

Our Indian Clients Base

Our International Clients Base

Strategic Business Units

Distinct Capabilities, Integrated Execution

Our Strategic Business Units bring together specialised expertise across the areas in which we operate. Each unit has a defined role, enabling us to address specific customer requirements while also bringing complementary capabilities together when a project calls for an integrated approach.

This structure allows us to combine expertise across businesses, coordinate execution more effectively and respond to assignments of varying scale and complexity. It gives customers access to a broader set of capabilities within one organisation, while giving each business unit the focus to develop its area of expertise.

Industrial Construction
(Power and Non-Power)

Erection, testing and commissioning of thermal units of every class and capacity.

- Open and Combined Cycle Power Plants
- Structural fabrication and erection
- Balance of Plant
- Flue Gas Desulfurisation (FGD) and Selective Catalytic Reduction (SCR)
- Refinery and Petrochemicals
- Cross-country Pipelines
- Allied industries such as Steel and Cement

31.22+ Lakh MT

of erection works executed

70,626 MW

of boiler, turbine, generator and Balance of Plant capacity added.

Infrastructure Construction

Civil and structural construction for power, industrial and urban infrastructure.

- Foundations, Decks and Cooling Towers
- Coal Handling Plants
- Roads and Highways
- Railways and Metro
- Drinking Water, Irrigation and Water-linked Projects
- Industrial Parks and Townships

33.47 Lakh m³

of concreting executed

Electrical Transmission and Distribution

Transmission and distribution systems, alongside railway electrification packages.

- Transmission Lines up to 400 kV
- Sub-stations
- Overhead Electrification
- Distribution Networks
- Electrical BOP Works
- Signalling and Telecommunication works

756 TKM

of overhead electrification commissioned;

220 kV

Gas-Insulated Switchgear (GIS) substation works.

Overseas Business

International O&M and manpower services, led from the Middle East and West Africa.

- O&M, Overhauling and Shutdown Management
- Capital Overhauls and Repairs
- Manpower Supply
- Industrial and Combined Cycle Plant Services
- AMC

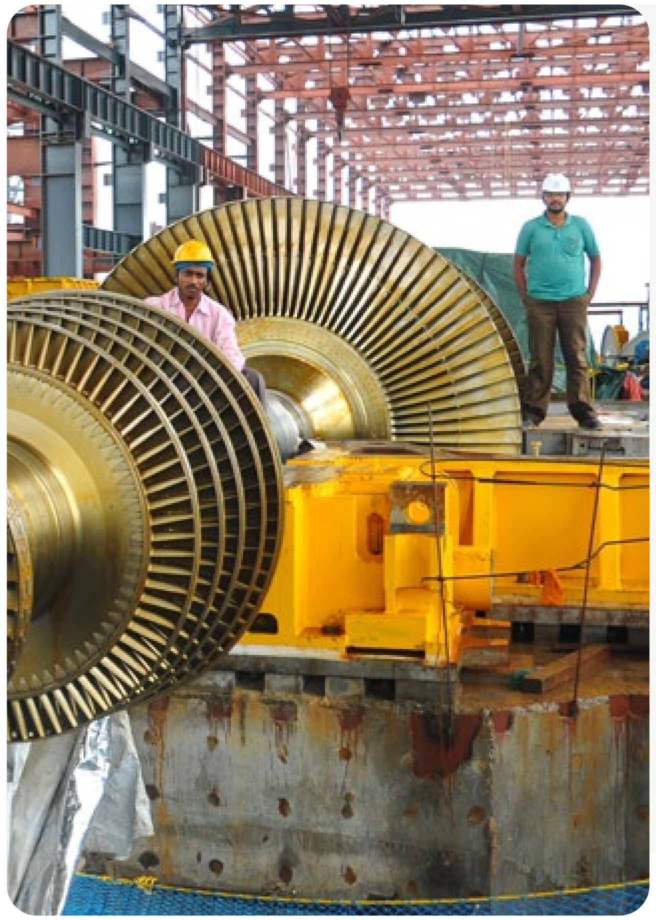
Around

9,262 MW

commissioned across overseas power markets;

1,500+

deployed in the Middle East on ₹300 to ₹350 Cr of ongoing jobs.



Industrial Services (Power and Non-Power)

Operation, maintenance, overhauling, renovation and modernisation of operating plants.

- Plant Optimisation and Annual Maintenance
- Capital Repairs
- Upgrades and Retrofits
- Rebuilds and Plant Relocation
- Troubleshooting
- Comprehensive O&M

India's robust and largest O&M provider, with close to a fifth of the power O&M market and

36.25 GW

of unit capacity under O&M and AMC.

EPC Business

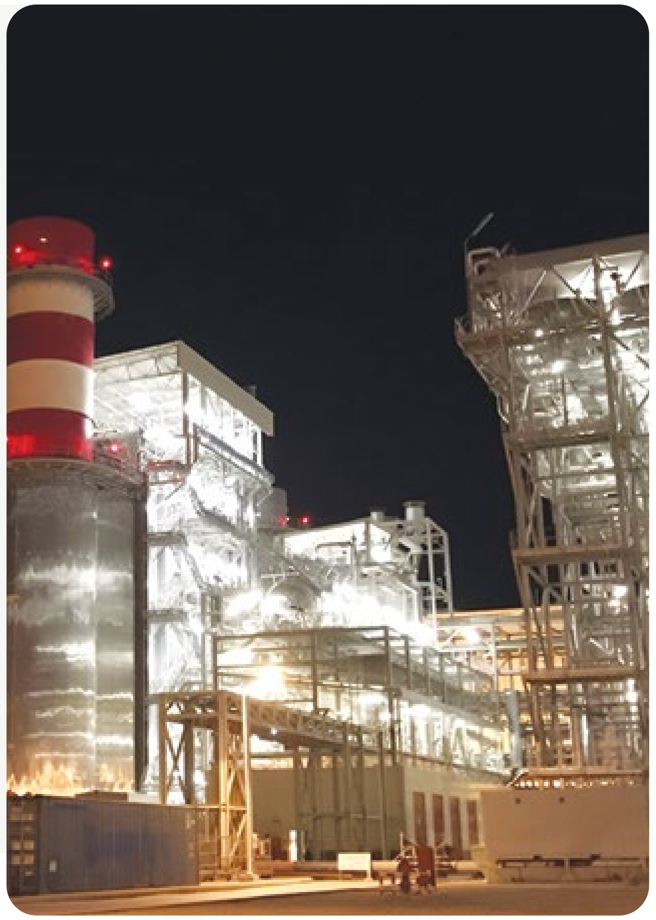
Integrated Balance of Plant EPC for thermal power, built on our civil, structural and mechanical strengths.

- BoP of thermal power plants
- Material handling plants
- Flue gas desulphurisation plants
- Water systems of thermal power plants
- Cooling towers

Forayed into the integrated Balance of Plant (BoP) EPC with the

1 x 800 MW

Singareni thermal power package from BHEL.



Mining

Mine development and operation, contract mining and mechanised mine-side handling.

- Mine Infrastructure Operations
- Contract Mining
- Excavation and Coking Coal Movement
- Construction, Operation and Maintenance of Material Handling Units and Coal Washeries
- Railway Siding and Rapid Loading Systems

9 MTPA

peak rated mining capacity; two Mine Developer and Operator (MDO) contracts, at Kotre Basantpur Pachmo (KBP) and Tasra, operationalised.

Renewable Energy

Solar, energy storage and green hydrogen, democratised via a dedicated green energy subsidiary.

- Solar Parks
- Onshore Wind
- Battery Energy Storage Systems
- Pumped Storage Projects
- Green Hydrogen and its Derivatives

Incorporated solar development including a

16 MW

plant in Bihar, through the Company's green energy subsidiary.

Hydro Power

Hydro power equipment and construction, through our subsidiary Hydro Magus.

- Generator Core, Winding and Rotor Poles
- Manufacture and Supply of Turbines
- Capital and Annual Overhauls, Renovation and Modernisation (R&M)
- Engineering, Procurement and Construction (EPC) of Sewage Treatment Plants (STP) with Electro-mechanical, Instrumentation, Programmable Logic Controller (PLC) and Supervisory Control and Data Acquisition (SCADA) Works
- Rural Water Supply Schemes under the Jal Jeevan Mission

Spare Parts Management and Workshop

In-house manufacturing and fabrication that contributes to our own project execution.

- Components for High-capacity Pumps
- Spare Parts for Hydro and Thermal Plant Components
- Components for Railway Electrification
- Reblading of Turbines
- Fabrication of Mass Structures

Manufacturing Facility at Noida

Creating Long-Term Value

Building Today's Order Book for Tomorrow's Growth

Our portfolio is shaped by businesses with different growth and revenue profiles, giving us a balanced platform for the future. Current order inflows are led by EPC and O&M, while longer-tenure businesses such as MDO and Renewables provide depth to the order book and greater visibility over future revenues.

Order Book Composition

Mechanical (ETC)	1,054
Civil	1,343
O&M	2,104
EPC	2,550
MDO / Renewables	159

₹ 7,210 Cr

Total Order Inflow

EPC and O&M together accounted for nearly two-thirds of FY 2025-26 order inflows, reflecting a steady demand for integrated project execution and sustainable maintenance services. Concurrently, MDO and Renewables represented a relatively small share of new orders, while accounting for nearly three-quarters of the order backlog, thereby underscoring the long-tenure nature of these contracts and the revenue visibility they provide over the upcoming years.

Mining: Unlocking the Potential of Scale

Mining is currently the largest contributor to our order book, anchored by two MDO contracts. During FY 2025-26, production commenced at the **Kotre Basantpur Pachmo** mine for Central Coalfields Limited, while the **Tasra** project for SAIL progressed towards production with washery construction underway. As these projects ramp up over time, mining is estimated to become an increasingly meaningful contributor to revenue and profitability.

Central Coalfields Limited

Project
Kotre Basantpur Pachmo (Open Cast)

Contract Value
₹9,294 Cr

Tenure
25 Years

Steel Authority of India Limited (SAIL)

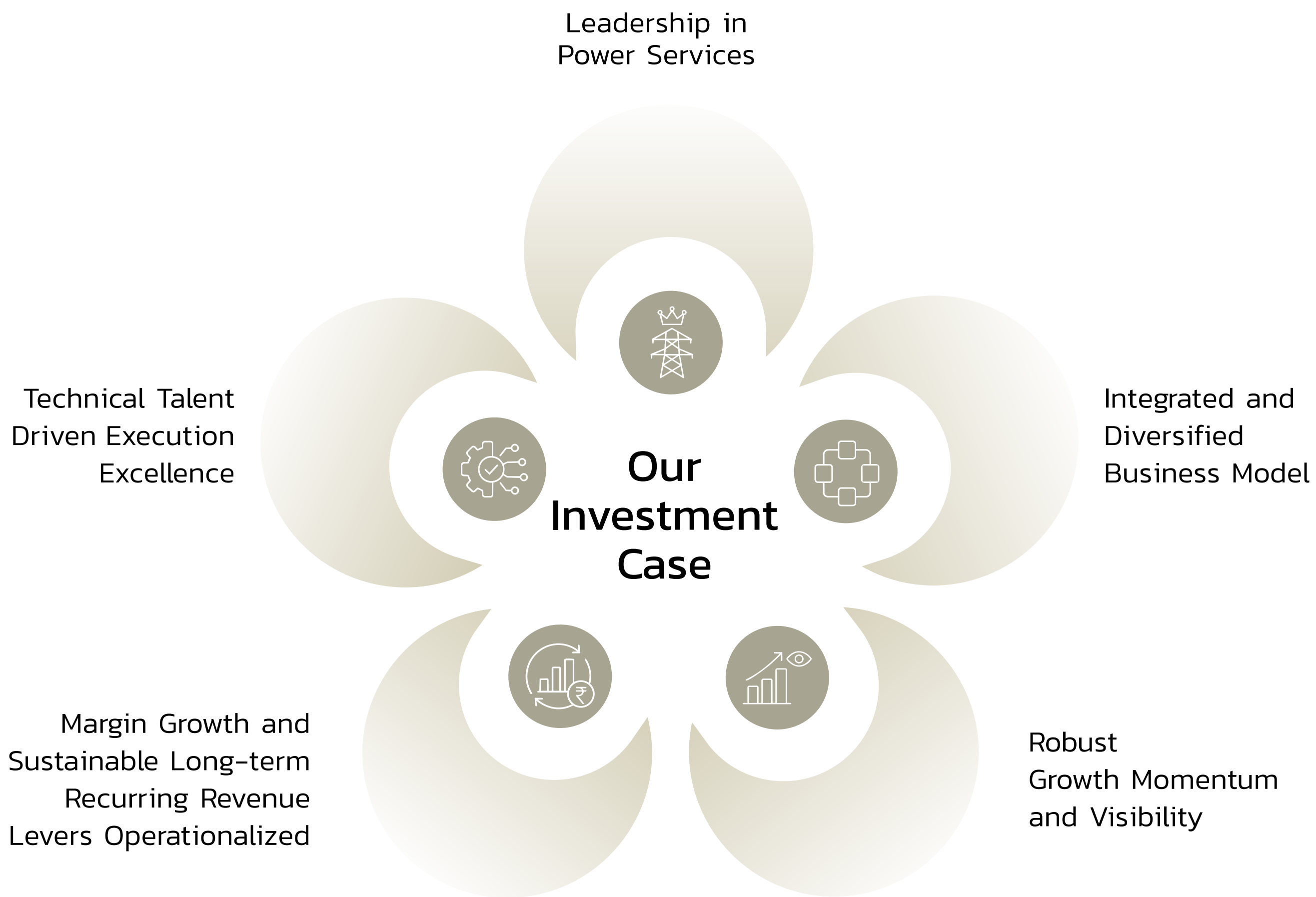
Project
Tasra (Open Cast)

Contract Value
₹30,383 Cr

Tenure
28 Years

Our Investment Case

Our investment proposition rests on the quality and composition of our portfolio. A growing presence in recurring businesses, a substantial order book and established customer relationships provide a foundation for future earnings visibility. As our businesses progress at different stages of their development, this portfolio gives us multiple avenues to participate in India's infrastructure and energy investment cycle.



Human Capital

The People Behind Our Excellence

Our people are central to our ability to execute complex projects across demanding environments. As the nature and scale of our work evolve, so do the skills required across our workforce. We are therefore building capability from within by bringing in talent early, developing technical expertise through structured learning and preparing our engineers, operators and leaders for greater responsibilities.

This approach brings together talent acquisition, capability development, employee engagement and retention. It combines external expertise with internal mobility and targeted training, helping us build the skills we need while creating opportunities for our people to grow with the business.

Talent Acquisition

Our approach to talent acquisition balances operational needs, inclusivity and community integration.

Equal Opportunity Hiring

Our recruitment follows uniform policies across all stages of the organisation, with candidates assessed predominantly on their skills, performance and proficiencies.

Cross-sector Talent Mobility

Our recruitment includes experienced professionals from our industry including related sectors, bringing diverse expertise to the organisation.

Community-linked Hiring

Each project balances lateral hiring, internal transfers and local recruitment, supporting project requirements while creating employment and learning opportunities in the surrounding communities.

Digital-first Recruitment

Digital hiring platforms simplify recruitment, improve efficiency and support timely hiring across project sites.

Workforce Structure

Critical talent and Red Circle positions are absorbed into Power Mech roles through our senior leadership framework, while unskilled and semi-skilled requirements are met through outsourced manpower based on business demand.

40,000+

Total workforce

Building Future-ready Capabilities

Our capability-building strategy carries technical depth, safety focus and digital readiness across the workforce.

Technical Certification

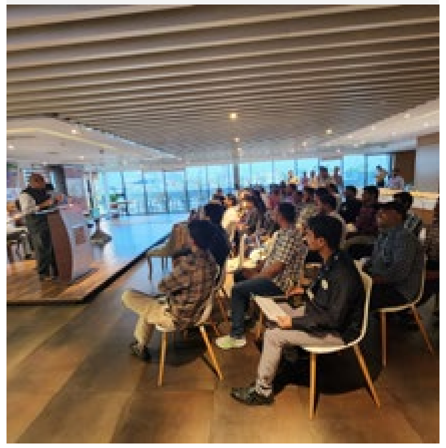
We run domain-specific training leading to industry-recognised certification.

Safety-First Culture

Regular inductions, site audits and mock drills hold safety as a lived behavioural value.

Digital Training

Our workforce is trained on SAP tools, advanced equipment and digital project management systems.



Industry Collaboration

Partnerships with technical institutions carry knowledge both ways and create hiring pipelines.

Scalable Workforce Planning

We equip our employees with emerging technologies and evolving practices, ensuring future-ready capabilities.

Learning and Development (L&D)

We have strategically institutionalised a structured approach to capability across behavioural, managerial, technical and leadership domains.

Core Programmes

Behavioural Training

External faculty and industry experts run our behavioural programmes, improving interpersonal skills, communication, leadership, teamwork and problem solving.

Technical Skills Training

Our training cell delivers specialised modules on site, covering Distributed Control Systems (DCS), Dynamic Network of Applications (DNA), Programmable Logic Controllers (PLCs), tendering, electrical systems and control and instrumentation measurement.

Leadership Readiness

Leadership readiness

YLDP

Develops high-potential young professionals through structured learning, assessment and leadership readiness.

LDP

Focused on mid-level site and technical managers, working on people management and business impact.

SLDP

Executive coaching and enterprise leadership development for senior professionals.

45

Employees Enrolled in the Young Leadership Development Programme

Spotlight

Once a year, our senior leadership team steps away from day-to-day operations for four days to take a focused view of the business. The review covers performance against plan, the business outlook, opportunities worth pursuing, emerging challenges and the direction of the Company. This provides a dedicated forum to assess priorities and align on the path ahead.

Employee Engagement

We promote an open, inclusive and engaging work culture that supports holistic well-being and morale.

Communication and Transparency

Quarterly town halls, regular site visits and active feedback carry issues up in good time and keep engagement transparent.

Recognition and Rewards

Performance incentives, Well Done Cards, certificates of recognition, quarterly assessments and cash awards are distributed honouring the quality projects carried out throughout the year.

Cross-Functional Exposure

Group assignments, cross-functional projects and training build multidisciplinary perspectives, enabling teams to collaborate more effectively across functions.

Work-Life Balance

Leave provisions, cultural celebrations, sports tournaments and emergency support help our people maintain a healthy balance between their professional and personal lives.

Workplace Infrastructure

From modern site offices to improved accommodation at remote locations, we continue to invest in the physical and digital infrastructure that ensures employee comfort, safety and productivity.

50%+

Employee Participation in Our Annual Employee Satisfaction Survey

Culture and Inclusion

We seek to create a workplace where people are respected, valued and able to contribute. An inclusive culture encourages collaboration across teams and brings different perspectives into the way we work.

Leadership Connect

Regular review meetings between the Chairman and Managing Director (CMD), President and departmental teams keep leadership and sites aligned.

Inclusive Practices

Equal opportunity, fair policies and an inclusive workplace sustain respect, collaboration and diversity organisation-wide.

Sensitisation Training

POSH awareness (POSH) awareness runs through induction and through sessions with external faculty.

Employee Welfare

Welfare initiatives and employee support programmes ensure well-being, safety and social security across the workforce.

Digital Human Resource (HR) Transformation

We have digitised our HR processes through SAP SuccessFactors and SAP Business Suite 4 SAP High-Performance Analytic Appliance (SAP S/4HANA), with business-specific workflows configured to bolster efficient and consistent execution enterprise-wide. System-driven processes have substantially minimised manual paperwork, enhancing transparency, accuracy and speed. Quarterly performance reviews and Performance-Linked Pay (PLP) are managed through the platform, promoting a fair and uniform approach to workforce optimisation.

Safety, Health and Environment

Putting Safety and Responsibility into Practice

Safety is a core value across every project we undertake. From industrial construction and infrastructure to operations, we focus on preventing risks through disciplined planning, regular training and a safety culture in which every employee has a role to play. This approach extends beyond compliance to protect our people, assets, neighbouring communities and the environments in which we operate.

Recognition

Multiple National Safety Awards

Best Safety Performance Award – NTPC, Barh

Best Safety Conscious Contractor Award – BHEL

51st National Safety Day Best Contractor Award

Our Health, Safety and Environment (HSE) Priorities

Safety-first Approach

Every project is initiated with comprehensive risk assessments, method statements and work permits, supported by regular toolbox talks, safety audits and site inspections.

Health and Well-being

Medical support, emergency response systems and employee welfare initiatives promote a safe and healthy workplace across project sites.

Environmental Stewardship

We integrate responsible environmental practices into our operations through waste management, resource conservation, pollution prevention and regulatory compliance, alongside plantation and environmental awareness initiatives.

Safety Culture

Regular training, induction programmes and employee engagement initiatives foster a workplace where safety awareness and responsible behaviour constitute daily workflows.

23
Safety Audits Conducted

6,427 hours
Safety Training Hours Delivered

40,000
Saplings Planted across Sites

Zero
Fatalities Reported Operation-wide

Our HSE Commitments

- Zero Accidents
- No Harm to People
- No Harm to Property
- No Harm to the Environment
- No Harm to Neighbouring Communities
- Full Compliance with Applicable Environmental and Safety Regulations
- Responsible Waste Management across Project Locations

Supporting the Energy Transition through Responsible Execution

Environmental considerations are incorporated into the planning and execution of our projects and operations. Alongside responsible construction practices, we contribute to India's energy transition by delivering infrastructure that supports the growing need for reliable and cleaner energy.

CORPORATE SOCIAL RESPONSIBILITY

Building Futures, Empowering Communities: Our Journey of Growth and Progress

At Power Mech Projects Limited, growth is defined not merely by financial performance or infrastructure expansion, but by the tangible, lasting difference made in the lives of people and communities. Corporate Social Responsibility (CSR) is deeply embedded in the company's ethos—serving as a core driver of sustainable development, inclusive growth, and social equity.

During FY 2025-26, we reinforced our commitment to social stewardship by investing ₹6.85 Crores in impactful grassroots initiatives, exceeding our statutory CSR obligation of ₹6.76 Crores. Through targeted interventions spanning education, skill development, rural infrastructure, women empowerment and healthcare, we continue to create sustainable value for society through five focused pillars of social impact.

CSR at a Glance (FY 2025-26)

₹352.29 Crores
Average Net Profit (Sec 135)

₹6.76 Crores
Statutory CSR Obligation (after setting off the excess CSR expenditure of ₹0.28 Crore from previous financial years)

₹6.85 Crores
Total CSR Amount Spent

101.33%
(Exceeded Obligation) Compliance Rate

5
Number of CSR Pillars

Key Focus Areas

Education, Skill Development, Rural Infrastructure, Women Empowerment, Food Security, Healthcare

Geographic Footprint

Telangana, Andhra Pradesh, Jharkhand, Karnataka, and Pan-India Project Sites

Pillars of Social Impact

Education and Youth Empowerment

₹2.86 Crores
Total Spent

Power Mech directs its education initiatives towards the essentials of learning. We invest in school infrastructure, improve access to quality education and support the development of young talent across urban and rural India, bringing students in underserved regions the same standard of education that shapes opportunity everywhere.

- **Institutional Upliftment in Gulbarga (Karnataka):** Directed a major contribution of ₹2.00 Crores to the Karnataka Peoples Education Society to build modern educational infrastructure, classrooms, and learning resources for underserved students in regional Karnataka.
- **Youth Innovation & Entrepreneurship:** Partnered with the International Startup Foundation in Hyderabad (₹0.10 Crore) to foster an entrepreneurial mindset and technology skills among young innovators.
- **Pan-India Educational Grants:** Disbursed ₹0.76 Crore across multiple project locations in India to support local government schools with essential supplies, digital learning tools, and infrastructure repairs.

Skill Development and Livelihood Generation

₹1.54 Crores
Total Spent

Creating sustainable economic opportunities is key to breaking the cycle of poverty. We provide specialised skill training, including through Telangana's first Integrated Skill Development Centre for Mechanical, Electrical, and Fitter trades, to make rural and marginalised youth employment-ready.

- **Power Mech Foundation Skill Programmes:** Channelled ₹1.53 Crores through the Power Mech Foundation to conduct technical trade training, vocational skill development, and employment-linked courses tailored to modern industrial requirements.
- **Poverty Alleviation in Mining Hubs:** Allocated targeted relief and direct economic support in Dhanbad district, Jharkhand (₹0.01 Crore), supporting underprivileged families with livelihood tools.

Rural Transformation and Infrastructure

₹1.23 Crores

Total Spent

We bring our infrastructure expertise to the communities around its projects, building the civic amenities and everyday support that improve the quality of rural life across India.

- **Integrated Rural Development:** Partnered with various organisations to execute rural development projects across multiple villages in Telangana and Andhra Pradesh.
- **Key Interventions:** Focus areas included drinking water accessibility, village sanitation, street lighting, community hall construction, and rural road enhancements to bridge the urban-rural facility divide.

Women Empowerment and Financial Autonomy

₹0.76 Crore

Total Spent

Empowering women creates a multiplier effect that uplifts entire families and communities. Power Mech supports self-help groups, skill training, and micro-entrepreneurship for women, including the distribution of sewing machines to women across Telangana to enable livelihood generation at the grassroots level.

- **Adarsh Mahila Swarojgar Kendra (Jharkhand):** Partnered with Adarsh Mahila Swarojgar Kendra (₹0.25 Crore) in Dhanbad district to provide tailoring, handicrafts, and self-employment training to rural women.
- **Pan-India Women Welfare Initiatives:** Deployed ₹0.51 Crore across various project sites in India to fund women's health awareness drives, self-reliance workshops, and financial literacy sessions.

Healthcare Support and Community Well-Being

₹0.45 Crore

Total Spent

Access to primary healthcare remains a vital need across remote and industrial hinterlands. We bring preventive care and essential medical support directly to the communities around our operations, sparing families the long journey that basic treatment too often demands

- **Preventive & Primary Healthcare:** Disbursed ₹0.45 Crore across multiple project locations nationwide to organize preventive health check-up camps, distribute essential medicines, and support local primary health centers with medical equipment.

Allocation Breakdown By Focus Area

- Education Support **(41.8%)**
- Skill Development & Livelihoods **(22.5%)**
- Rural Transformation **(18.0%)**
- Women Empowerment **(11.0%)**
- Healthcare Support **(6.7%)**

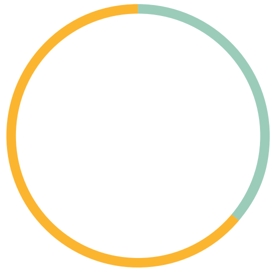
Our Commitment to A Sustainable Future

Power Mech Projects Limited remains dedicated to creating a meaningful impact that extends far beyond corporate success. By aligning our CSR strategy with national priorities and the United Nations Sustainable Development Goals (UN SDGs), we will continue to expand our social footprint—building resilient communities, nurturing talent, and shaping an inclusive tomorrow across the five pillars of our social impact strategy.

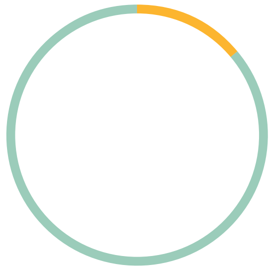
Governance

Accountability that Guides Our Business

Our governance framework provides clear structures for oversight, accountability and decision-making across the organisation. The Board, supported by specialised committees, reviews key matters and provides direction across areas that require focused attention and independent oversight.



- Independent Directors: **57%**
- Non-Independent Directors: **43%**



- Women Directors: **14%**
- Male Directors: **86%**

Our Committees

The Board is supported by specialised committees that provide focused oversight spanning financial stewardship, risk management, stakeholder engagement, leadership development and corporate responsibility.

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Executive Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

Our Policies

Our governance framework is supported by policies and codes, guiding ethical conduct, compliance and responsible business practices across the organisation.

Code of Conduct for Insider Trading	Risk Management Policy
Remuneration Policy	Policy for Determining Material Subsidiaries
Policy on Succession Planning for the Board and Senior Management	Determination of Materiality of Events or Information Policy
Whistleblower Policy	Corporate Social Responsibility (CSR) Policy
Policy on Related Party Transactions	Dividend Distribution Policy

(Access full set of policies- https://powermechprojects.com/codes-policies/)

Risk Management

The Risk Management Committee supports the Board in identifying and reviewing key risks that could affect the business. It evaluates risk exposures, mitigation measures and emerging areas of concern, helping the organisation respond to risks in a timely and informed manner.

Identify

Current and emerging material risks across business operations

Assess

Evaluate likelihood, impact and significance of identified risks

Quantify & Prioritise

Determine risk exposure and prioritise areas requiring action

Mitigate

implement appropriate controls, response measures and monitoring mechanisms

Monitor & Report

Track risk performance, report key risks to management and the board

Board of Directors

Guiding the Future with Vision and Integrity

C C M

Mr. Sajja Kishore Babu
Founder and Chairman and Managing Director

37+ years experience in Power and Infrastructure sector

Serves on Board of subsidiary and joint venture companies

Holds a Bachelor degree in Mechanical Engineering

M M M

Mr. Sajja Rohit
Executive Director

Leads Overseas Operations, Business Development, Corporate Strategy and digital initiatives for Power Mech group of companies

MBA from University of Oxford & Master's Engineering Management degree from USC

C M M M

Mr. M. Rajiv Kumar
Non-Executive Director

38+ years experience in BHEL

Rose to the level of Executive Director, Power Sector, Eastern Region

Mr. Kumar is a graduate in Electrical Engineering from the BIT, Sindri

C Chairman
M Member

AC
Audit Committee

NRC
Nomination and Remuneration Committee

RMC
Risk Management Committee

CSR
Corporate Social Responsibility Committee

SRC
Stakeholders' Relationship Committee

EC
Executive Committee

C M

Mr. Vivek Paranjpe
Independent Director

45+ years experience in leadership roles

Previous associations include Hewlett Packard, Reliance Industries Ltd

Holds B.Sc (Honors) from Fergusson College, Pune and Post-Graduate degree from XLRI Jamshedpur

M M M

Mr. Jayaram Prasad Chalasani
Independent Director

40+ years experience in the Indian infrastructure industry

He is a member of the Group Executive Council at Suzlon Energy

Previous associations include NTPC, Reliance Power, Punj Lloyd and others

C M M

Mr. Bontha Prasada Rao
Independent Director

37+ years experience at BHEL, including over 6 years as Chairman & MD & holds directorship in 5 companies

He is also a member of 2 committees constituted by Government of India

C C

Ms. Vasundhara Sinha
Independent Director

A distinguished 1988-batch officer of the Indian Revenue Service (IRS) who retired as Principal Chief Commissioner - Income Tax.

She was the Additional Director General of Foreign Trade under the Ministry of Commerce, Government of India, in New Delhi

Corporate Information

Board of Directors

Mr. Sajja Kishore Babu
Chairman and Managing Director

Mr. Sajja Rohit
Executive Director

Mrs. Sajja Lakshmi
Non-Executive Director (upto 08-08-2026)

Mr. M Rajiv Kumar
Non-Executive Director

Mr. Vivek Paranjpe
Independent Director

Ms. Lasya Yerramneni
Independent Director (upto 26-06-2026)

Mr. Jayarama Prasad Chalasani
Independent Director

Mr. B. Prasada Rao
Independent Director

Ms. Vasundhara Sinha
Independent Director
(w.e.f 20-06-2026)

Key Managerial Personnel

Mr. N Nani Aravind
Chief Financial Officer

Mr. M. Raghavendra Prasad
Company Secretary
and Compliance Officer

Audit Committee:

Ms. Vasundhara Sinha
Chairperson

Mr. Jayarama Prasad Chalasani
Member

Mr. M Rajiv Kumar
Member

Mr. Vivek Paranjpe
Member

Nomination and Remuneration Committee

Ms. Vasundhara Sinha
Chairperson

Mr. Jayarama Prasad Chalasani
Member

Mr. B. Prasada Rao
Member

Corporate Social Responsibility Committee

Mr. Sajja Kishore Babu
Chairman

Mr. B. Prasada Rao
Member

Mr. Sajja Rohit
Member

Stakeholder's Relationship committee

Mr. M. Rajiv Kumar
Chairman

Mr. Sajja Rohit
Member

Mr. B. Prasada Rao
Member

Risk Management Committee

Mr. B. Prasada Rao
Chairman

Mr. Jayaram Prasad Chalasani
Member

Mr. M Rajiv Kumar
Member

Mr. Sajja Kishore Babu
Member

Executive Committee

Mr. Sajja Kishore Babu
Chairman

Mr. Sajja Rohit
Member

Mr. N. Nani Aravind
Member

Registered and Corporate Office

Plot no: 77, Jubilee Enclave Road, Opp: Hitex, Madhapur,
Hyderabad – 500081
Telangana, India.
Tel: 040 30444444
Fax: 040 30444400

Statutory Auditors

M/s. Brahmayya and Co
Chartered Accountants
33-25-338, Govindarajulunaidu Street,
Suryaraopet, Vijayawada - 520 002

Secretarial Auditors

Mr. D. S. Rao

Practicing Company Secretary
Flat No. 10, 4th Floor,
6-3-347/22/2, Ishwarya Nilayam,
Opp: Sai Baba Temple
Dwarakapuri Colony, Panjagutta,
Hyderabad, Telangana - 500 082.

Cost Auditors

M/s. M P R and Associates
Cost Accountants
#6-3-349/15/17, Flat No.301,
3rd Floor, Sri Sai Brundavan Apts,
Behind Sai Baba Temple, Dwarakapuri Colony, Punjagutta,
Hyderabad-500 082,
Telangana

Bankers

State Bank of India
Punjab National Bank
Union Bank of India
UCO Bank
Bank of Baroda
Bank of India
Central Bank of India
Axis Bank Limited
IDFC FIRST Bank Limited
IndusInd Bank Limited
Bandhan Bank Limited
Karnataka Bank Limited
RBL Bank Limited
Indian Overseas Bank
HDFC Bank Limited
Yes Bank Limited
Bank of Bahrain & Kuwait
Canara Bank
South Indian Bank
ICICI Bank Limited

Registrar and Share Transfer Agent

Venture Capital and Corporate Investments Private Limited
"AURUM", Door No. 4-50/P-II/57/4F & 5F, Plot No. 57, 4th & 5th Floors,
Jayabheri Enclave Phase – II,
Gachibowli, Hyderabad – 500 032.

Management Discussion and Analysis

1. Economic Overview

1.1 Global Economy

In CY 2025 the global economy grew by 3.5%, holding up despite persistent geopolitical uncertainty. Investment in technology, favourable financial conditions and supportive fiscal and monetary policy underpinned that growth.

Advanced economies grew by 1.9%, led by consumer spending and continued investment in innovation, particularly in the United States. Emerging economies outpaced them at 4.5%, on strong Chinese export activity and sustained trade volumes across the wider Asian region. Global inflation moderated to 4.1% as supply chains eased and labour markets rebalanced, helped by foreign investment inflows and a weaker US dollar.

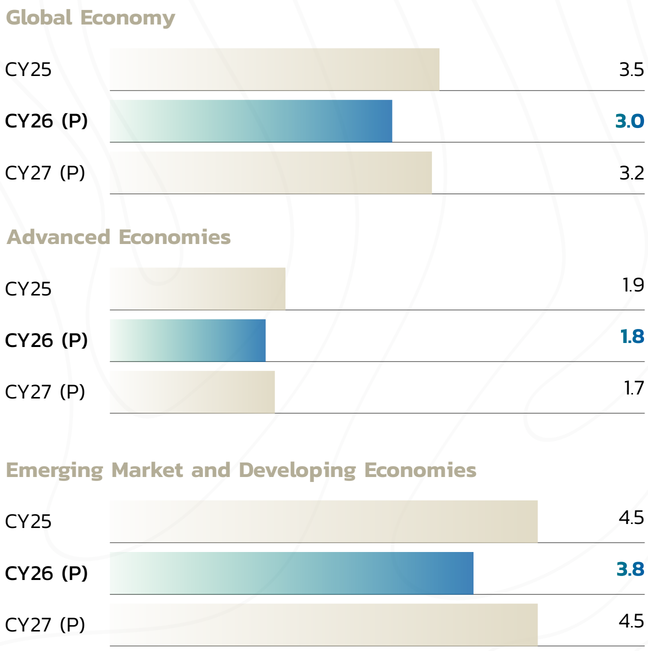
Prices nonetheless remained sensitive to shocks, particularly in energy. Conflict in West Asia raised energy input costs, disrupted the passage of petroleum products and fed through to inflation across many economies. The war in Ukraine remains unresolved after four years, leaving the global economy to absorb two simultaneous conflicts, while tariff actions by the United States added a further layer of uncertainty to world trade.

Outlook

Shifting trade policy and rising fiscal pressure across major markets continue to shape the global outlook. Global GDP growth is projected at 3.0% in CY 2026 as monetary easing sustains domestic demand, recovering to 3.4% in CY 2027. Inflation is expected to rise to 4.4% in CY 2026 before easing to 3.5% in CY 2027 on softer labour markets and weaker demand for traded goods.

Escalating conflict in West Asia has sharpened the focus on energy security, raising concerns over supply continuity and fossil fuel price volatility. Growth across Middle East and Central Asia fell sharply to 0.7% in CY 2026 and should recover to 4.6% in CY 2027, if energy production and transport routes normalise. Against this backdrop, renewable energy is drawing greater policy attention as countries seek energy systems more resilient to supply and price shocks.

World GDP Growth Trends (in %)



E = Estimate; P = Projection. Source: IMF World Economic Outlook, July 2026.

1.2 Indian Economy

The Indian economy sustained steady growth in FY 2025–26 on stable macroeconomic fundamentals and continued policy support. Real GDP grew by 7.7% despite a difficult global environment, keeping India among the fastest-growing major economies. Headline consumer price inflation held at about 3.5% (within the Reserve Bank of India's target band), largely supported by lower food inflation, and the Reserve Bank eased the repo rate from 6.25% to 5.25% over the year, loosening credit conditions.

Lower income tax and GST rates lifted domestic demand. Private final consumption expenditure held its momentum and investment activity stayed strong. Industrial activity was equally firm, aided by sustained infrastructure spending and steady growth in manufacturing and the core sectors. The external sector was the weak point: soft merchandise demand and tariff-related trade disruption weighed on exports, and the Rupee depreciated towards ₹93–94 per US dollar on tariff uncertainty and portfolio outflows.

[1] IMF, World Economic Outlook, April 2026. https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026

[2] IMF DataMapper, inflation rate, average consumer prices. https://www.imf.org/external/datamapper/PCPIPCH@WEO/OEMDC/ADVEC/WEOWORLD

[3] IMF DataMapper, inflation rate, end of period consumer prices. https://www.imf.org/external/datamapper/PCPIEPCH@WEO/OEMDC/ADVEC/WEOWORLD

[4] Ministry of Statistics and Programme Implementation, press note on GDP estimates for Q4 2025-26 and provisional estimates for FY 2025-26. https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

[5] Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2260251&reg=3&lang=2

Infrastructure expanded rapidly, supported by a Union Government capital expenditure allocation of ₹11.21 lakh crore for FY 2025–26 directed at roads, railways, urban infrastructure, power, energy and minerals, with particular emphasis on renewable energy. This allocation carries forward the National Infrastructure Pipeline (NIP) launched in 2019 and, alongside the National Monetisation Pipeline (NMP), should sustain project development and capacity addition across these sectors, widening the addressable opportunity for engineering and construction contractors.

During the reporting year, India met its target of drawing 50% of cumulative installed electric power capacity from non-fossil sources, five years ahead of the 2030 commitment under its Nationally Determined Contribution (NDC) to the Paris Agreement. Capacity addition now advances on two fronts: the established renewable energy investment model, and newer non-fossil sources including nuclear and energy storage.

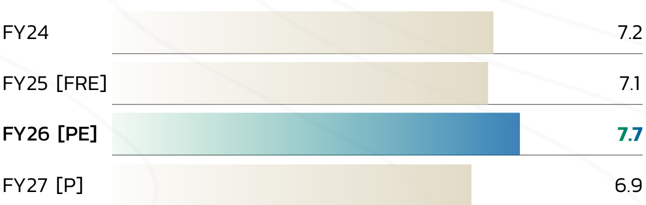
Outlook

India's GDP is projected to grow at a stable 6.9% in FY 2026–27 on domestic consumption and the public capital expenditure cycle. Consumer price inflation is projected at 5.1%, supported by adequate reservoir levels and the continued benefit of goods and services tax rationalisation. Rising global energy prices and supply-chain disruption arising from the conflicts in West Asia and Ukraine could add to inflationary pressure and weigh on growth, and wider involvement of global powers in either conflict would compound the trade and logistics impact.

India's response is to accelerate the energy transition and reduce import dependence. Production-linked incentive schemes and infrastructure-focused policy are building domestic manufacturing capacity, consistent with the Atmanirbhar Bharat objective of self-reliance in critical inputs.

GDP Growth Trend in India

(in %)



FRE = First Revised Estimate; PE = Provisional Estimate; P = Projected.
Source: RBI Bulletin, April 2026.

2. Industry Overview

2.1 Indian Power Sector

India's power sector has been structurally transformed over the past decade, evolving into a reliable, high-capacity grid on the back of sustained investment, institutional reform and a diversified generation mix. Total installed generation capacity stood at 532.74 GW as on 31 March 2026, with non-fossil sources accounting for the majority at 53.2%, or 283.47 GW.

Economic growth and rising living standards drove a record addition of 57.53 GW during FY 2025–26, well ahead of the 33.24 GW added in FY 2024–25. Renewable sources including large hydro accounted for 54.6 GW of that addition, led by 44.61 GW of solar and 6.06 GW of wind; including nuclear, non-fossil capacity rose by about 55.2 GW. Gas-based capacity declined to 20.12 GW from 24.53 GW a year earlier. Within the non-fossil base, solar now accounts for 150.26 GW, wind 56.09 GW, large hydro 51.41 GW, bio energy 11.75 GW, small hydro 5.17 GW and nuclear 8.78 GW. The Ministry of New and Renewable Energy targets 566 GW of installed non-fossil capacity by 2031–32.

Nuclear serves two purposes as the solar share rises: carbon-free base-load capacity, and reliable supply during non-solar hours. The Government projects capacity of over 22 GW by the early 2030s as indigenous 700 MW and 1,000 MW reactors come on line, and the Nuclear Energy Mission targets 100 GW by 2047. The near-term addition of up to 63 GW of coal-based capacity by 2031–32 serves the same balancing purpose in the interim.

The SHANTI Act, 2025 — the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India Act — received Presidential assent in December 2025. It replaces the Atomic Energy Act, 1962 and the Civil Liability for Nuclear Damage Act, 2010, and opens nuclear development to regulated private participation for the first time. Its consequences run across several of the Company's businesses and are taken up in the Forward Markets section and in the business segment sections that follow.

The Government has also established a planning framework for large-scale energy storage through Pumped Storage Projects and Battery Energy Storage Systems. The Central Electricity Authority, the nodal agency for power sector planning and forecasting, estimates that reliable

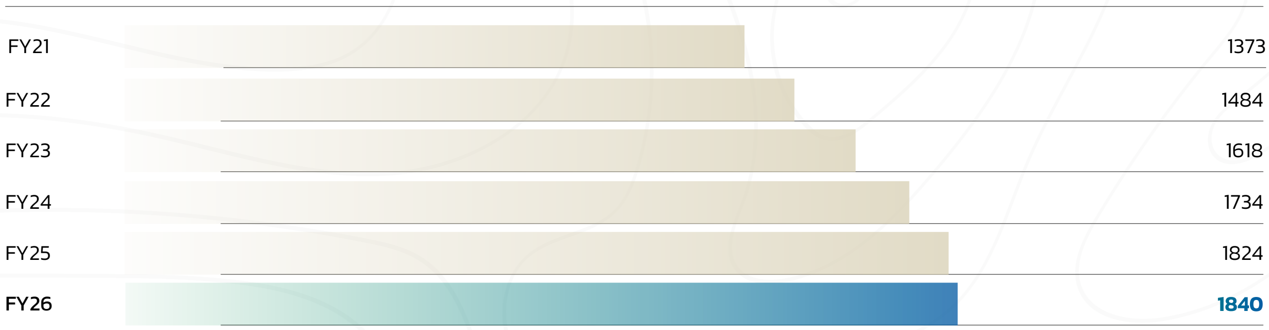
[6]Economic Survey, Government of India. https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf
[7]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2250039&reg=3&lang=1
[8]https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/01GOVERNORSTATEMENT23042026FECF5D3F8A5F411B9496C9BF6F0CC900.PDF
[9]Reserve Bank of India, press release. https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62863
[10]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2250039&reg=3&lang=1
[11]Press Information Bureau, Government of India. https://static.pib.gov.in/WriteReadData/specificdocs/documents/2026/mar/doc2026318829301.pdf
[12]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2250039&reg=3&lang=1
[13]Press Information Bureau, Government of India. https://static.pib.gov.in/WriteReadData/specificdocs/documents/2026/feb/doc2026228806901.pdf
[14]The Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Act, 2025 (Bill No. 196 of 2025); Presidential assent granted 20 December 2025. All India Radio News, Government of India. https://www.newsonair.gov.in/president-murmu-gives-assent-to-shanti-bill

renewable integration requires storage capacity to rise from about 6 GW today to 81 GW by 2031–32, comprising about 44 GW of pumped storage and 37 GW of battery storage. India has committed to net zero by 2070 and to reducing the emissions intensity of GDP by 45% by 2030.

Year	Coal and Lignite	Gas	Diesel	Thermal Total	Nuclear	Hydro	Renewables	Hydro + Renewables	Grand Total
FY 2021–22	210.7	24.9	0.5	236.1	6.8	46.7	109.9	156.6	399.5
FY 2022–23	211.9	24.8	0.6	237.3	6.8	46.9	125.2	172.0	416.1
FY 2023–24	217.6	25.0	0.6	243.2	8.2	46.9	143.6	190.6	442.0
FY 2024–25	221.8	24.5	0.6	246.9	8.2	47.7	172.4	220.1	475.2
FY 2025–26	**228.6**	**20.1**	**0.6**	**249.3**	**8.8**	**51.4**	**223.3**	**274.7**	**532.8**

Indian Power Sector

National Level Electricity Installed Capacity and Generation Trends

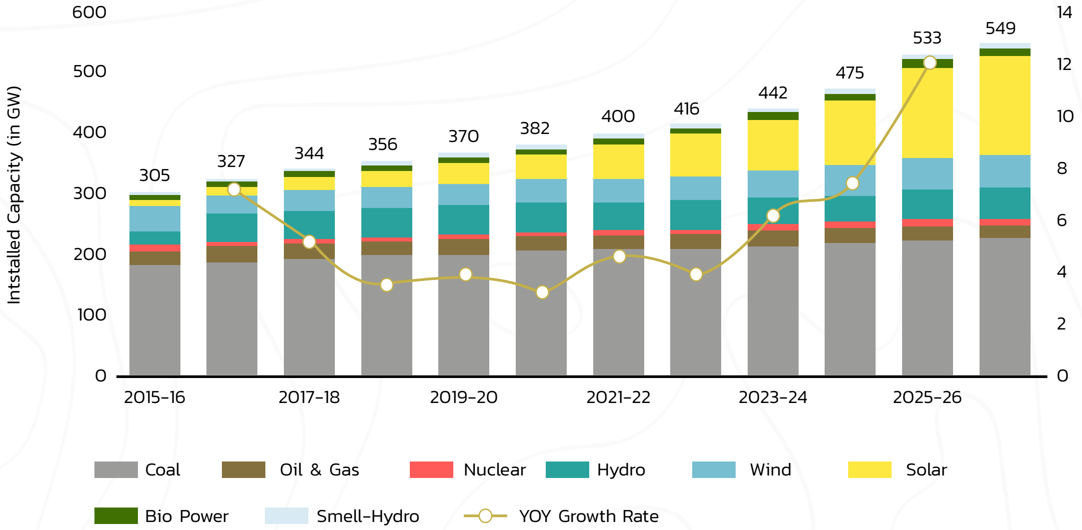


Source: NITI Aayog – India Climate and Energy Dashboard.

Source-wise Installed Power Generation Capacity

co5 Years Trends

Source-wise Electricity Installed Capacity Trends from 2015-16 to 2026-27 (as on 30th June 2026) (in CW)



Source: NITI Aayog – India Climate and Energy Dashboard

[15]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2205959&reg=3&lang=2

Sector Dynamics

The sector has been transforming since the Electricity Act, 2003, which opened power generation to greater private participation. The Paris Agreement adopted at COP21 in 2015 then committed signatories to limiting global temperature rise, channelling investment into non-fossil generation — principally solar and wind, alongside hydropower backed by pumped and battery storage. India's policy has stayed aligned with those commitments, and the Ministry of Power continues to fast-track non-fossil generation and storage.

The Central Electricity Authority's National Generation Adequacy Plan for 2026–27 to 2035–36 sets out a ten-year capacity path. By 2031–32, as an interim milestone, installed capacity reaches 877 GW: 291 GW coal, 20 GW gas, 16 GW nuclear, 61 GW large hydro, 356 GW solar, 113 GW wind and 20 GW other renewables, with 37 GW of battery storage and 44 GW of pumped storage providing day-to-night balancing. By 2035–36, installed capacity reaches 1,121 GW: 315 GW coal, 20 GW gas, 22 GW nuclear, 78 GW large hydro, 509 GW solar, 155 GW wind, 16 GW biomass and 6 GW small hydro. Non-fossil capacity reaches about 786 GW, or 70% of the total, against 283.47 GW at March 2026, with total storage of 174 GW and 888 GWh.

Under this framework storage is not counted within generation capacity additions; it functions as enabling backup supporting grid stability during non-solar hours.

Coal-based capacity is being augmented from 228 GW in FY 2025–26 to 291 GW by 2031–32, an addition of about 63 GW over six years. This reflects a deliberate near-term emphasis on base-load capacity, established through technical studies, to balance generation and supply as solar and wind expand rapidly.

The changing mix works in favour of engineering, project execution and service companies: planned additions across coal, pumped storage, battery storage and nuclear all translate into construction and service scope. Nuclear augmentation is the most consequential of these shifts, adding materially to the non-fossil base while supplying stable round-the-clock power.

Grid and Transmission

Generation capacity is only useful if it can be evacuated, and the transmission system is expanding in step. The national network has exceeded 5 lakh circuit kilometres with total transformation capacity of 1,407 GVA. Peak demand met during FY 2025–26 was 242.49 GW. Against projected peak demand of 388 GW by 2032, the National Electricity Plan for central and state systems has been finalised with estimated investment of ₹9.15 lakh crore, and energy requirement is expected to rise from 1,929 billion units in FY 2026–27 to 3,366 billion units by 2035–36, with peak demand rising from 289 GW to 459 GW over the same period. Distribution is being modernised in parallel through schemes targeting network upgrades, consumer metering and loss reduction, and the Government has raised POWERGRID's investment delegation limit per subsidiary from ₹5,000 crore to ₹7,500 crore to support the expanding renewable base and rising demand.

Captive Power and Regulatory Direction

Policy measures targeting distribution efficiency and stronger distribution company finances should strengthen sector stability, and continued investment across conventional and renewable segments is expected to create long-term financing opportunities. The Electricity (Amendment) Rules, 2026, notified by the Ministry of Power in March 2026, substituted Rule 3 of the Electricity Rules, 2005 and clarified the ownership and consumption requirements for captive generating plants. The twin thresholds are retained — captive users must hold at least 26% of the plant and consume at least 51% of annual generation — but group structures are now recognised, with a company, its holding company and fellow subsidiaries treated as a single captive user, and collective rather than proportional fulfilment permitted for associations of persons. Verification through designated nodal agencies takes effect from April 2026. Clearer captive rules reduce regulatory risk for the steel, aluminium, cement and chemicals industries, support cost-effective supply and encourage greater use of non-fossil sources.

Captive power is a significant contributor in metals and minerals, petrochemicals, cement and other industries that depend on reliable, stable supply. The installed captive base is nearly 81 GW in units ranging from 1 MW to 600 MW. Expansion in the metals sector, particularly steel, aluminium and zinc, should add roughly 8 to 10 GW. Planned aluminium capacity alone involves investment of about ₹80,000 crore to ₹1,00,000 crore, creating opportunities for construction and service companies comparable to those arising from utility-scale coal projects.

2.2 International Power Sector (West Asia and West Africa)

West Asia is the Company's principal international market, and its power sector is passing through a transition that expands rather than contracts the addressable work. The regional framework is shifting from one dominated by

[16]Central Electricity Authority, Long-Term National Resource Adequacy Plan, 2026-27 to 2035-36, March 2026. https://cea.nic.in/wp-content/uploads/notification/2026/04/Long_term_National_Resource_Adeqaucy_Plan2026_27_to_2035_36.pdf

[17]Press Information Bureau, Government of India. https://static.pib.gov.in/WriteReadData/specificdocs/documents/2026/mar/doc2026318829301.pdf

[18]Ministry of Power, Electricity (Amendment) Rules, 2026, Notification No. G.S.R. 186(E) dated 13 March 2026. All India Radio News, Government of India. https://www.newsonair.gov.in/govt-amends-electricity-rules-to-strengthen-captive-power-framework-boost-industrial-competitiveness

[19]Installed captive capacity: Central Electricity Authority, General Review 2025 (80,926 MW). Aluminium capacity investment: Company estimate based on announced producer expansion plans.

oil-fired generation towards a mix weighted increasingly towards natural gas and renewables, driven by climate commitments, by the economics of freeing crude for export, and by national diversification programmes that are themselves raising industrial power demand.

The scale is substantial. Peak demand across the Gulf Cooperation Council countries is approaching 150 GW, with Saudi Arabia the largest single market at around 73 GW of peak demand against installed capacity in excess of 110 GW, most of it combined-cycle gas and oil-fired plant. The United Arab Emirates follows at roughly 34 GW of peak demand, then Kuwait, Qatar, Oman and Bahrain. Demand growth is structural rather than cyclical: air-conditioning load, population growth, industrial diversification and, increasingly, data centre development all point the same way.

The most consequential development for a construction and maintenance contractor is the gas build-out. Across the wider Middle East and North Africa region, gas-fired capacity is expected to rise by more than 110 GW over the coming decade, against roughly 350 GW of total capacity in operation. Gas-fired plant requires the same erection, commissioning and long-term maintenance disciplines the Company already provides, and the resulting fleet carries a maintenance obligation extending decades beyond construction.

Renewable deployment is accelerating alongside. Saudi Arabia has stated an objective of drawing half its electricity from renewables by 2030, with the balance from natural gas, and by 2027 Saudi Arabia, the United Arab Emirates, Egypt, Morocco and Oman together are expected to account for the large majority of new renewable capacity additions across the region, potentially exceeding 75 GW of solar and wind over the next several years. That build-out is creating its own secondary requirement: curtailment has already appeared at solar peaks in parts of Saudi Arabia, prompting substantial planned grid reinforcement and additional storage capacity. Oman has liberalised battery storage policy, and storage is increasingly attached to renewable procurement across the region.

Nuclear generation has established itself in the United Arab Emirates, where about 5.6 GW is in operation, and Saudi Arabia is progressing a civil nuclear programme, having concluded a bilateral civil nuclear cooperation framework with the United States. For a services contractor the relevance lies in the balance of plant and maintenance layer rather than the reactor island.

Water is inseparable from power in the region. Desalination capacity is very large — the Saudi water authority alone operates in the order of 11 million cubic metres a day — and much of it is coupled with generation, since using reject heat roughly halves the energy required. Independent water and power projects are therefore a single asset class, and maintenance mandates typically span both. The Company already maintains reverse osmosis capacity in Abu Dhabi. As renewables and nuclear expand, water production will gradually decouple from thermal generation, changing the technical requirement without reducing it.

Cross-border interconnection improves supply security and raises utilisation of existing generation assets, though its practical effect should not be overstated: interconnection capacity remains small relative to regional peak demand, and cross-border electricity trade is a fraction of the level seen in more integrated markets. Its function today is emergency support and reserve-sharing rather than systematic transfer of power between markets.

Against these fundamentals the region carries real risk. Military hostilities have introduced supply-side uncertainty into energy markets, raised insurance and shipping costs on regional trade routes, and created uncertainty around the pace of foreign investment into non-oil sectors. Shipping disruption around the Strait of Hormuz has affected liquefied natural gas flows, although major importing economies have so far adapted. Rebuilding of damaged power, water and industrial infrastructure should generate engineering and maintenance requirements over the medium term. The Company's approach is to build on the recurring maintenance layer, the more resilient of its two revenue streams in the region, and to pursue construction work selectively.

[20]Arab Gulf States Institute, analysis of Gulf renewable and power markets. https://agsi.org/analysis/the-reach-of-the-gccs-booming-renewables-sector-exceeds-grasp/

[21]S&P Global Ratings, GCC 2026 energy outlook. https://www.spglobal.com/ratings/en/regulatory/article/gcc-2026-energy-outlook-capex-capacity-consolidation-s101656414

[22]IEA, The Future of Electricity in the Middle East and North Africa. https://www.iea.org/reports/the-future-of-electricity-in-the-middle-east-and-north-africa/executive-summary

[23]World Nuclear Association, country profile: Saudi Arabia. https://world-nuclear.org/information-library/country-profiles/countries-o-s/saudi-arabia

[24]Arab Energy Organisation, March 2026, reported in Middle East Briefing. https://www.middleeastbriefing.com/news/saudi-arabias-renewable-energy-investment-opportunties/

[25]Arab Gulf States Institute, analysis of Gulf renewable and power markets. https://agsi.org/analysis/the-reach-of-the-gccs-booming-renewables-sector-exceeds-grasp/

[26]ORF Middle East, Energy Transitions in the Gulf. https://orfme.org/research/energy-transitions-in-the-gulf-realities-risks-and-the-road-ahead/

[27]World Nuclear Association, country profile: Saudi Arabia. https://world-nuclear.org/information-library/country-profiles/countries-o-s/saudi-arabia

[28]World Nuclear Association, country profile: Saudi Arabia. https://world-nuclear.org/information-library/country-profiles/countries-o-s/saudi-arabia

[29]Arab Gulf States Institute, analysis of Gulf renewable and power markets. https://agsi.org/analysis/the-reach-of-the-gccs-booming-renewables-sector-exceeds-grasp/

[30]IEA, Electricity Mid-Year Update 2026. https://www.iea.org/reports/electricity-mid-year-update-2026/executive-summary

West Africa presents a different proposition. Regional electricity demand is growing at more than 8% a year, and the West African Power Pool — the Economic Community of West African States agency that has spent twenty-five years knitting fourteen national systems into a single market — reached a milestone in November 2025 when West African grids operated synchronously for the first time, with permanent synchronisation targeted thereafter. Its regional master plan identifies 75 priority projects requiring about USD 36 billion, comprising 47 generation projects totalling around 15.5 GW and 28 transmission projects covering roughly 23,000 km. Delivery, however, lags planning. In Nigeria, the Company's principal market in the region, installed grid capacity of about 13,600 MW yields available generation nearer 5,000 MW, and around half the population still lacks reliable access. The practical consequence is that industrial and commercial users generate their own power: captive capacity now exceeds what the national grid delivers, and the Electricity Act, 2023 has devolved regulation to state markets while the regulator has begun approving direct supply arrangements between generators and industrial customers. For a services contractor, therefore, the addressable work in the region is captive and industrial generation rather than utility-scale grid supply — the position the Company already holds through the 400 MW combined cycle plant at the Dangote refinery — with the regional transmission and generation build-out a longer-dated prospect.

Middle East Power Sector

Middle East Net Electricity Demand, 2024-2027

	Electricity Demand (TWh)	
FY24	1287	-
FY25	1333	3.6%
FY26	**1338**	**0.3%**
FY27	1393	4.1%

Electricity Demand (TWh)

Source: IEA - Electricity Mid-Year Update 2026.

2.3 Infrastructure Sector

India's infrastructure expansion is guided by the Viksit Bharat @2047 vision of building efficient assets across sectors to support long-term national aspirations. The National Monetisation Pipeline introduced by NITI Aayog in 2021 was the first major step, now carried forward through its second phase covering FY 2025–26 to FY 2029–30. A key objective is to strengthen institutional capacity for asset monetisation across highways, railways, power, petroleum and natural gas, civil aviation, ports, warehousing, urban infrastructure, coal, mines, telecom and tourism, setting a common reference framework for implementing agencies and investors with the aim of recycling capital out of operating assets and into new capacity.

This should draw more capital into the sector, raise its quality and support capacity addition through Infrastructure Investment Trusts, Toll-Operate-Transfer arrangements, public-private partnership models including build-operate-transfer and design-build-finance-operate-transfer, initial public offerings, private placements, securitisation, leasing, commercial auctions of coal and mining assets, and operation, maintenance and development agreements.

To sustain momentum, the Government is raising public capital expenditure by roughly 9% to ₹12.2 lakh crore for FY 2026–27, which should lift productive capacity and crowd in private capital. Cumulative investment of over USD 22 trillion is expected by 2070 across the energy transition, with transmission and grid infrastructure needing to expand in step with generation capacity.

Railways and Metro

Railway capital expenditure for FY 2026–27 is estimated at ₹2,93,030 crore, 10.5% above the revised estimate for FY 2025–26, with central budgetary support of ₹2,78,030 crore financing 95% of it. The National Railway Plan sets out a phased roadmap with cumulative capital expenditure of about ₹30 lakh crore. It targets full electrification, of which 99.2% is already complete, together with dedicated freight corridors, a high-speed network and logistics hubs, including about 2,521 km of high-speed rail by 2031 and redevelopment of about 1,309 stations. Seven high-speed corridors are under development: Mumbai–Pune, Pune–Hyderabad, Hyderabad–Bengaluru, Hyderabad–Chennai, Chennai–Bengaluru, Delhi–Varanasi and Varanasi–Siliguri.

[31]West African Power Pool, a specialised agency of the Economic Community of West African States covering 14 of its 15 member countries. https://www.ecowas.int/special_agency/the-west-african-power-pool-wapp/

[32]World Economic Forum, on the West African Power Pool regional master plan and the November 2025 synchronisation test. https://www.weforum.org/stories/energy-transition/why-does-west-africa-s-power-market-moment-matter-now/

[33]Veriv Africa, analysis of Nigerian generation availability and electricity access. https://www.verivafrica.com/insights/can-nigerias-power-sector-deliver-stable-electricity-in-2026

[34]Nairametrics, on captive generation and the Electricity Act, 2023. https://nairametrics.com/2026/06/30/powering-productivity-why-nigerias-business-future-depends-on-captive-power/

[35]Nigerian Electricity Regulatory Commission approvals for commercial and industrial direct-supply capacity, reported in SolarQuarter. https://solarquarter.com/2026/05/12/nigerian-electricity-regulatory-commission-approves-new-ci-capacity-to-boost-industrial-power-supply-in-nigeria/

[36]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2243591&reg=48&lang=2

[37]PRS Legislative Research, Demand for Grants 2026-27 analysis, Railways. https://prsindia.org/budgets/parliament/demand-for-grants-2026-27-analysis-railways

[38]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2211852&reg=48&lang=2

Further expansion targets freight traffic of 15,583 million tonnes a year against 6,366 million tonnes in FY 2025–26, with track upgraded to lift average freight speed from 25 km/h to 50 km/h — enough to compete with road and raise rail's share of freight from 28% to 45%. Alongside track and formation work, this build-out generates demand for electrification, overhead equipment and signalling systems as routes are upgraded and new corridors commissioned.

Metro networks currently serve 26 cities across 1,095 km of routes, reducing urban pollution and congestion, and are set to extend to about 20 more cities and nearly 2,000 km. Maintenance depots and workshops are the principal construction scope. Operators are also increasingly outsourcing the maintenance of completed systems, which opens a service market alongside the construction one.

Roads and Highways

India's road network of approximately 63.74 lakh km is the world's second largest and the country's primary transport mode, spanning national highways, expressways, state highways, and district and village roads. The national highway network expanded 60% from 91,287 km in 2014 to 1,46,572 km. Operational access-controlled high-speed corridors and expressways increased from 93 km in 2014 to 3,052 km, and national highways with four or more lanes multiplied 2.6 times from 18,371 km to 48,568 km.

The Ministry of Road Transport and Highways has a capital expenditure allocation of ₹2,94,167 crore for FY 2026–27, of which ₹1,87,293 crore goes to the National Highways Authority of India. Planned upgrades include about 25,000 km of two-lane roads to four lanes at an estimated ₹10 lakh crore, and about 16,000 km of four-lane roads to six lanes at an estimated ₹6 lakh crore, alongside high-speed corridors at an estimated ₹50,655 crore. Ring roads and bypasses are planned for cities and towns with populations of five lakh and above, and around 26,000 km of high-speed expressways are targeted for award up to 2032–33.

Projects are delivered under build-operate-transfer, engineering-procurement-construction and hybrid annuity models. The first two of these require the developer to maintain the road, with concessions running 15 to 20 years and 15 years respectively, while engineering-procurement-construction contracts carry a defined maintenance period of up to five years. Under Bharatmala Pariyojana, the engineering-procurement-construction route accounts for an awarded length of 14,748 km at a total capital cost of ₹4,06,024 crore, and the hybrid annuity model for 11,269 km at ₹4,36,522 crore.

Water

At the launch of the Jal Jeevan Mission, 3.23 crore rural households had tap water connections; a further 12.58 crore have been connected since, taking coverage to about 15.81 crore of the country's roughly 19.36 crore rural households, or about 82%. The extended phase focuses on infrastructure quality and on the operation and maintenance of rural piped water supply schemes through community participation. The Budget Estimate for FY 2026–27 is ₹67,670 crore, and the Cabinet has approved a total outlay of ₹8.69 lakh crore including central assistance of ₹3.59 lakh crore, with the target of tap water for every rural household by December 2028. Urban water and wastewater investment continues in parallel through the national urban rejuvenation programme.

The defining feature of this segment for contractors is that construction contracts increasingly carry a ten-year operation and maintenance obligation, so revenue accrues over a long tail after schemes are commissioned.

2.4 Mining, Metals and Minerals

India's large reserves of coal, iron ore and bauxite have made the country largely self-sufficient in bulk minerals. Mining adds value to the raw material inputs required for steel and aluminium production, while coal remains a key energy source underpinning nearly 75% of electricity supply. The National Monetisation Pipeline has opened mining, historically dominated by government entities, to greater private participation, and rising privatisation across iron ore, bauxite and coal is creating opportunity both in mining operations and in mine-side facilities.

India produced about 1,042.90 million tonnes of coal on a provisional basis in FY 2025–26, against about 1,039.62 million tonnes in FY 2024–25. Coal demand is expected to reach about 1.5 billion tonnes by 2030, consistent with coal-based generation capacity rising to 291 GW by 2031–32 as set out in the Indian Power Sector section. Domestic steel production also depends on coking coal, where India remains import-dependent, with demand expected to reach about 161 million tonnes per annum by 2030. Meeting it requires investment in coking coal beneficiation and in First Mile Connectivity infrastructure, which reduces reliance on road haulage of minerals to power, steel and aluminium plants while improving evacuation efficiency and reducing losses.

[39]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221838&reg=48&lang=2

[40]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2240324&reg=48&lang=2

[41]Ministry of Road Transport and Highways, annual report. https://morth.gov.in/backend/documents/uploaded/RTH%20Annual%20Report%20English.pdf

[42]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2223330&reg=48&lang=2

[43]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2223330&reg=48&lang=2

[44]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2209837&reg=3&lang=2

[45]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2246901&reg=3&lang=1

[46]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213723&reg=48&lang=2

The Government's Mine Developer and Operator model is central to resource development, encouraging private investment, technology adoption and operational efficiency, and is the main route to unlocking new reserves for the steel industry. NMDC, the leading iron ore producer, is expanding production capacity to 100 million tonnes per annum by 2030 with total capital investment of about ₹70,000 crore. Planned expansion of iron ore and bauxite capacity by other major producers, together with new aluminium facilities in Odisha and Madhya Pradesh, extends the pipeline further. The Critical Minerals Mission is opening exploration and extraction of lithium, rare earth elements and copper alongside the established bulk minerals.

India is the world's second-largest steel producer, with installed capacity of roughly 220 million tonnes per annum and on schedule to meet the National Steel Policy target of 300 million tonnes per annum by 2030. Meeting that target requires iron ore capacity of about 437 million tonnes per annum. Leading public and private producers are all expanding: JSW is moving from 31.9 to 62 million tonnes per annum by 2032, JSPL from 11.6 to 50, and SAIL from 20.63 to 35 by 2030–31, while ArcelorMittal plans a 10 million tonne greenfield plant near Visakhapatnam and Tata Steel is planning expansion at Neelachal. Expansion is split between greenfield and brownfield sites, with total investment in capacity augmentation estimated at ₹3.5 to ₹4 lakh crore. The Green Steel Initiative advanced during the year, with 94 producers across 15 states gaining green steel certification.

For construction and services contractors the addressable scope covers civil, structural and piping works and equipment installation for sinter and pellet plants, blast furnaces, steel melt shops and raw material handling systems, together with the captive generation that supports them.

3. Forward Markets

The markets below are not yet material to revenue but bear on how the Company positions itself over the plan period. Each rests on policy commitments already made and on capability the Company either holds or can extend from what it holds.

Nuclear. The SHANTI Act, 2025, described in the Indian Power Sector section, opens nuclear development to regulated private participation for the first time. For a contractor the accessible scope is the non-reactor work: civil and structural, turbine island erection, cooling water packages, balance of plant, and maintenance of operating stations. The Company is executing civil works for the 1,400 MW Kaiga project, which establishes both the qualification and working experience of the quality and safety regime the segment demands.

Energy storage. Against the storage build-out mentioned in the Indian Power Sector section, pumped storage carries substantial civil and electromechanical content — powerhouse, surge shaft and dam works, and turbine and generator erection — drawing on the same heavy-lift and heavy-civil base as thermal construction. Battery storage is shifting from a component of hybrid tenders to standalone procurement, and the Company is evaluating it alongside its renewable execution work.

Coal gasification. Converting coal thermochemically into synthesis gas supports energy self-sufficiency in a country dependent on external sources for 88% of crude oil and 50 to 55% of natural gas, while holding the world's fifth-largest coal reserves. Adapting the technology to the high ash content of Indian coal took years, which is why commercialisation has been slow. The national mission targets 100 million tonnes per annum by 2030 with about ₹4 lakh crore of investment supported by a ₹37,500 crore promotion scheme. Projects are mine-side, placing them adjacent to the Company's mining and material handling work, and technology tie-ups are in place to qualify for the first wave.

Two further markets sit at an earlier stage. The National Green Hydrogen Mission targets 5 million metric tonnes of annual production by 2030, with the construction scope sitting in electrolyser halls, ammonia and methanol facilities and the utility infrastructure serving them. Data centre construction, driven by cloud adoption, data localisation and artificial intelligence workloads, resembles a utility island more than a conventional building, requiring large cooling water systems, redundant power infrastructure and often captive generation. In each case the Company's position is to monitor rather than commit, and to enter only where the work draws on capability already held.

4. Company Overview

Power Mech Projects Limited builds and maintains the physical infrastructure of India's power and industrial economy: coal-based generating stations, the road, railway and metro networks that move people and freight, water systems, transmission and distribution networks, and the

[47]NMDC Limited, Vision 2030 capital expenditure plan. Businessworld. https://www.businessworld.in/article/nmdc-plans-rs-70000-cr-capex-to-reach-100-mtpa-by-2030-546297

[48]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2258314&reg=48&lang=2

[49]Press Information Bureau, Government of India. https://www.pib.gov.in/PressReleseDetail.aspx?PRID=2248379&reg=48&lang=2

[50]India Brand Equity Foundation. https://www.ibef.org/news/steel-sector-maintains-growth-momentum-as-demand-rises-9-in-may

[51]Ministry of Coal, National Coal Gasification Mission. https://coal.gov.in/sites/default/files/ncgm/pmicg-jp.pdf. Scheme for Promotion of Surface Coal/Lignite Gasification Projects, financial outlay \u20b937,500 crore, approved 13 May 2026: Press Information Bureau. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2260621&reg=3&lang=1

[52]Press Information Bureau, Government of India. https://static.pib.gov.in/WriteReadData/specificdocs/documents/2026/feb/doc2026228806901.pdf

mines that supply the raw material for all of it. FY 2025–26 was its twenty-seventh year of operations.

Its position rests on execution. The Company has completed erection, testing and commissioning of approximately 84 GW of boiler, turbine, generator and balance of plant capacity, and provides long-term operation and maintenance services for about 36,246 MW across 26 power plants – around 16% of India's installed coal-based capacity and the largest such position in the country. It has executed about 9,262 MW of installation and construction work internationally. More than 208 projects have been delivered for over 80 clients, supported by a workforce of about 40,000.

That base has carried the Company progressively further along the value chain: from mechanical erection into civil construction, from construction into long-term operation and maintenance, from package execution into turnkey engineering, procurement and construction, and from executing contracts for others into owning and operating long-life mining assets. Each move has been adjacent to capability already held rather than a departure from it.

The furthest of those moves, and the one that most changes the shape of the business, is mining. The Company holds two long-tenure opencast mine developer and operator (MDO) mandates – the Kotre Basantpur Pachmo block for Central Coalfields Limited and the Tasra block for SAIL – with tenors of 25 to 28 years and combined peak output of 9 MTPA. Together they account for ₹39,253 crore of the closing order book. With the Tasra coking coal washery under development, taking the Company from extraction into beneficiation, Power Mech is positioning to become India's largest private mine developer and operator in coking coal.

4.1 Developments in FY 2025–26

The operation and maintenance business recorded its highest order inflow to date, reinforcing the recurring revenue layer that gives the portfolio its stability. Four developments did something different – each opened a line of work the Company could not previously have taken on, and each rested on capability it already had.

- The ₹2,550 crore balance of plant package for Stage-II of the Singareni Super Thermal Power Project moved the Company into principal contracting. It is the largest single order in its history and its first large-format turnkey engineering, procurement and construction mandate. The EPC Division section sets out the scope and what the award changes.
- Revenue generation commenced at the KBP mine from November 2025, marking the point at which the mining business moved from development into earning.
- The Company took its first renewable mandate, a 13.661 MW solar project in Bihar under the PM-KUSUM scheme.
- The operation and maintenance mandate for the Mumbai Monorail took the Company into urban mobility. The asset is new and so is the client base, but the work at the front line is not. Metro and monorail maintenance runs on the disciplines that built the power business:
  - planned and breakdown maintenance of rotating and electrical equipment,
  - shift-based deployment of a large technical workforce across a live asset,
  - availability measured against contractual performance standards, and
  - shutdown planning around a system that cannot be taken offline at will.

A dedicated sub-unit was established during the year to serve the segment. The letter of intent for the Monorail was received in April 2026 (FY 2026-27) and operations will commence soon.

The water business is nearing the completion of its JJM connections and its focus now shifts progressively towards the ten-year operation and maintenance tail attached to schemes as they are commissioned.

4.2 Strategic Business Units (SBUs)

The Company operated through eight Strategic Business Units during FY 2025–26, each carrying profit and loss accountability, with portfolio risk managed above unit level.

Unit	Scope
Industrial Construction	Mechanical erection, testing and commissioning of main plant and auxiliary equipment on coal-based units; material, coal, ash and bulk handling systems for steel, cement, minerals and port projects
Infrastructure Construction	Civil, structural and architectural work for thermal and nuclear stations; roads, railways, metro support, urban and industrial infrastructure, and irrigation
Electrical, Transmission and Distribution	Transmission lines, substations, distribution networks, smart grid systems and railway electrification from 33 kV to 400 kV
International Operations	Project execution and operation and maintenance across West Asia, Africa and South Asia
Industrial Services	Long-term operation and maintenance across power plants, industrial and process facilities, turbine and generator overhauling, and urban mobility
EPC Division	Turnkey balance of plant packages as principal contractor
Water and Hydro Power	Rural and urban water infrastructure with a long-term operation and maintenance layer; hydro electromechanical capability
Mining and Renewable Energy	Mine developer and operator mandates, first mile connectivity, and solar and storage development through a dedicated subsidiary

The units are not independent businesses. On a single thermal station, the Company may hold the civil scope, the mechanical scope, the balance of plant contract and the subsequent operation and maintenance mandate, each through a different unit. That ability to hold multiple positions on one asset, and to carry a client from construction into a maintenance relationship lasting a decade or more, is what distinguishes the model from contracting on a project-by-project basis.

208+
Projects

80+
Clients

27
Years in business

40,000+
Workforce

Power Mech at a glance. Source: Company data.

4.3 Order Inflow and Order Book

New order inflows during FY 2025–26 totalled approximately ₹7,210 crore. The closing order book stood at ₹55,151 crore, comprising ₹15,898 crore in the standalone business and ₹39,253 crore in the longer-horizon mining and renewables business.

The two components behave differently and should be read differently. The core standalone business's order book converts over roughly two to three years and reflects the current construction and services cycle. The mining book runs over 25 to 28 years and reflects committed long-term operating mandates rather than work to be executed and closed. Between them they give the Company visibility of a kind unusual in construction: a near-term execution pipeline, and a multi-decade annuity underneath it.

5. Business Segments

The eight SBUs are set out below. Sector conditions established in the industry sections above are cross-referenced rather than restated.

One convention needs stating at the outset. On a thermal power project the Company's scope is delivered by two units: erection, testing and commissioning of main plant and auxiliary equipment sits with Industrial Construction, while civil, structural and architectural work for the same station sits with Infrastructure Construction. The two are reported separately below and frequently operate on the same site. Railway electrification, overhead equipment and signalling sit with the Electrical unit rather than with Infrastructure Construction.

5.1 Industrial Construction

Overview

Industrial Construction delivers mechanical erection, testing and commissioning across two verticals. The power vertical covers main plant and auxiliary equipment on coal-based units; the non-power vertical covers material, coal, ash and bulk handling systems for steel, cement, minerals and port projects.

Power-side capability spans boilers from subcritical to ultra-supercritical, high, intermediate and low pressure turbines and generators, electrostatic precipitators, flue-gas ducts and rotating equipment, together with auxiliary and balance of plant systems covering ash handling, fuel, oil and water systems, cooling towers, compressors, piping and deaerators. The unit handles testing and commissioning in-house, including hydro-testing, vibration analysis, trial runs and performance guarantee runs conducted with the equipment supplier. Throughput is around 2,500 MW a year, supported by a heavy-lift crane fleet, strand jacks and non-destructive testing facilities. The 84 GW track record sits largely with this unit.

The non-power vertical covers coal handling plants including stackers, reclaimers, crushers, feeders, conveyors and silos; ash handling in dense and lean phase configurations; ore and bulk handling for iron ore, limestone, alumina and clinker; overland and pipe conveyor systems; and industrial piping in carbon steel, stainless steel and alloy. An in-house fabrication shop supports the work, much of which takes place during live plant shutdowns, where speed rather than scale is the constraint.

Demand follows the coal-based capacity addition mentioned in the Indian Power Sector overview, but volume is not the only change. Owners are paying for schedule certainty and for a single accountable party on the mechanical island, which favours contractors able to take the full scope rather than individual packages. On the non-power side, the steel capacity build-out and rising coal production described above in the Mining, Metals and Minerals section are driving handling system demand at plant gate, with port mechanisation opening a second corridor.

Operational Milestones

The unit secured erection, testing and commissioning of the boiler, turbine and generator, critical piping, electrostatic precipitators and other auxiliaries for two Adani projects during the year: 2×800 MW at Mirzapur in Uttar Pradesh at ₹515 crore, and 2×800 MW at Mahan Phase-III in Madhya Pradesh at ₹490 crore. It also secured part works for the power cycle and circulating water piping on Unit-2 of the 2×660 MW Udangudi project at ₹18.5 crore, and erection of the conveying system and associated structures for a coal handling plant at Raipur at ₹30 crore.

In the non-power vertical, structural and equipment installation works worth about ₹450 crore were completed at JSPL Angul and at JSW's Dolvi and Ballari plants, drawing on the same fabrication, erection and piping base as the power work.

Outlook

The coal-based addition set out in the Indian Power Sector overview defines the near-term opportunity. Prospects under evaluation include erection, testing and commissioning packages in Bihar, Chhattisgarh and West Bengal, with award decisions expected during FY 2026–27.

Three directions extend the mechanical franchise. Nuclear island mechanical work opens under the SHANTI Act, 2025, with brownfield revitalisation, greenfield builds and small modular reactor packages all in scope. Brownfield life extension and renovation across the ageing 500 MW fleet covers boiler pressure part replacement, turbine overhauls and control system upgrades. Pumped storage powerhouse erection is a direct extension of existing heavy-lift capability.

For the non-power vertical, the steel capacity expansion, port mechanisation under Sagarmala, and handling systems for commercially auctioned coal blocks form the addressable pipeline.

5.2 Infrastructure Construction

Overview

Infrastructure Construction delivers civil, structural and architectural work across two verticals. The power vertical covers thermal and nuclear stations; the non-power vertical covers roads, railways, metro, buildings, urban and industrial infrastructure, and irrigation.

Power-side scope covers main plant civil, including boiler foundations, bed plates, turbine generator decks, control room basements and structural columns; balance of plant civil, including cooling towers, pump houses, coal and ash handling civil, chimneys, switchyards and water systems; and structural steel, including supply, fabrication and erection, prefabricated erection, pipe racks and cable trenches. The unit entered nuclear civil construction with the award of civil works for the 1,400 MW Kaiga project in FY 2024–25, covering containment auxiliary structures and balance of plant civil, and is building experience of the quality and safety regime that segment requires. On-site batching plants and project-level scheduling and quality systems support execution.

Non-Power Scope covers two, four, and six-laning of National Highways, bridges, and flyovers under Hybrid Annuity Model (HAM) and Engineering, Procurement and Construction (EPC) contracts; new Broad Gauge railway lines, doubling and quadrupling of existing railway lines, Road Under Bridges (RUBs), Road Over Bridges (ROBs), wagon workshops, depots, yards, and formation works; metro depot-cum-workshops, stations, and associated support structures; government buildings, medical colleges, and urban utility infrastructure; as well as canals, saddle dams, and distribution networks executed on EPC and turnkey bases.

Civil work is the pacing item on a power project. Foundation-to-commissioning readiness governs when boiler and turbine erection can begin, which is why owners increasingly award civil and mechanical to contractors able to coordinate across both. On the non-power side, the railway and road programmes mentioned in the Infrastructure Sector overview frame a build-out running well beyond the current plan period.

Operational Milestones

The unit secured civil work for the integrated township at the 5×800 MW Yadadri Thermal Power Station in Telangana at ₹972 crore, covering residential quarters, hospital, school, club house, commercial and sports facilities, site levelling, roads, drains, water infrastructure, MEP and compound works. It also secured civil, architectural and structural steel work for the main plant area at Mahan Phase-III in Madhya Pradesh at ₹371 crore.

The unit is executing railway works valued at approximately ₹2,500 crore across eight states, comprising new lines, formation works and workshops. Metro and depot works account for a further ₹1,750 crore across nine projects, primarily maintenance depots and workshops, together with new lines and foot overbridges. Four road projects nearly worth ₹2,650 crore are under execution, covering national highways and bypass works in Telangana, Karnataka, Mizoram and Jharkhand.

The ₹425 crore metro depot at Challaghatta for Bangalore Metro Rail Corporation is substantially complete and stands as the reference for the depot scope now coming up across the newer city networks.

Outlook

Power civil prospects under evaluation include main plant area civil for 2×800 MW projects in West Bengal and Assam, and for 3×800 MW and 2×660 MW projects in Telangana and Odisha. Nuclear civil should open further under the SHANTI Act, 2025, with containment auxiliary and balance of plant civil the addressable scope.

On the non-power side, the identified pipeline covers a new broad gauge railway line in Odisha, structural work for a steel plant package in West Bengal, and a six-lane access controlled expressway package in Telangana under the hybrid annuity model. Beyond these, the dedicated freight corridor programme, metro expansion across the cities now entering construction, and the industrial corridor nodes provide multi-year civil demand. Pumped storage civil, covering powerhouse, surge shaft and dam work, is a natural extension of the heavy civil base.

5.3 Electrical, Transmission and Distribution

Overview

The Electrical unit delivers engineering, procurement and construction of transmission lines, substations, distribution networks, smart grid systems and railway electrification, spanning 33 kV distribution to 400 kV transmission. Capability covers survey, foundation, tower erection and stringing; air-insulated and gas-insulated substations up to 400 kV with transformers, switchgear and control panels; high and low tension distribution lines, pole erection and distribution transformer installation; supervisory control and data acquisition systems, ring main units, advanced metering and feeder automation; and 25 kV overhead equipment, traction substations and signalling and telecommunication work for railway electrification.

The unit has completed works like 750 km of railway electrification in Rajasthan (₹332 crore), 91 km for RITES (₹69 crore), 777 km of 11 kV distribution lines in Bihar and 95 km of 132/220 kV high tension lines in Assam.

Operational Milestones

FY 2025–26 was the year of execution. Five contracts are in progress covering railway electrification, substations and 11 kV distribution lines, with total contract value of ₹896 crore and balance work of ₹606 crore at the close of the year.

Outlook

The unit's focus is on completing the current portfolio and on improving execution efficiency and returns before committing to fresh capacity. It is approaching bidding selectively, as margins in the segment remain under competitive pressure. The forward opportunity sits in renewable evacuation and pooling substations, in distribution network upgrades, and in railway overhead equipment contracts, where the Company already holds a delivery record.

5.4 International Operations

Overview

International Operations delivers project execution and operation and maintenance services across West Asia, Africa and South Asia, working through branches, subsidiaries and joint ventures in Saudi Arabia, Oman, Kuwait, the United Arab Emirates, Qatar, Bahrain, Bangladesh and Nigeria.

The Company entered international markets in 2000 and opened its first overseas office in Dubai in 2013. The portfolio then covered gas-based power, desalination, petrochemical and industrial construction, and hydro erection including the Punatsangchhu-I project in Bhutan. Focus has since shifted towards operation and maintenance, which carries better margins and replicates the long-term model already established domestically. Manpower-based deployment is converting into performance-linked contracts that are renewable and give steadier revenue.

Scope covers shutdown management, capital overhauls, repairs and specialist manpower supply, with over 1,500 specialists and skilled workers deployed. Standing mandates include maintenance of reverse osmosis plants in Abu Dhabi, the 2×660 MW Maitree coal-fired project in Bangladesh, and the captive power plant at the Dangote refinery in Nigeria, where completion of the 400 MW combined cycle plant led to a long-term operation and maintenance mandate valued at about ₹339 crore, now being extended. Entities include GTA Power Mech Nigeria, Power Mech Projects Limited LLC in Oman and Power Mech Arabia Contracting Company.

Operational Milestones

International activity during the year remained anchored in recurring maintenance, shutdown and operation work, with 21 mandates secured totalling ₹213 crore.

Work in the United Arab Emirates covered mechanical maintenance and specialist services for clients including NOMAC, the Dubai Electricity and Water Authority, Emirates Steel Arkan and Emirates Global Aluminium, alongside services for the Sharjah waste-to-energy facility. The unit secured mechanical maintenance for the boiler, turbine, generator, water system and offsite areas of the Maitree plant in Bangladesh, and refinery works in Nigeria including the residue fluid catalytic cracking unit. Further mandates covered plant maintenance in Qatar and inspection and repair work in Saudi Arabia.

Selective erection work continued alongside, consistent with the approach of pursuing overseas construction on a chosen basis while building the maintenance layer that carries the stronger margin and the more durable client relationships.

Outlook

The Company expects consistent expansion in overseas operation and maintenance, weighted towards long-term contracts rather than manpower deployment. The accessible thermal and gas-fired fleet across Saudi Arabia, the United Arab Emirates and Qatar is the primary corridor, with independent power producers and utilities in the region continuing to outsource maintenance on multi-year terms. Remote diagnostics and centralised dispatch are under evaluation as a means of serving dispersed sites without adding headcount in proportion.

Construction opportunity in the region should broaden as investment resumes across the oil-rich economies, opening scope in gas-based power and industrial facilities.

5.5 Industrial Services

Overview

Industrial Services is the Company's operation and maintenance business and its largest annuity engine. It operates through four sub-units. The first covers long-term power plant contracts across thermal, gas, nuclear and renewable assets, including coal handling, ash handling and water treatment systems. The second covers industrial and process plant work in refineries, cement, steel and petrochemical facilities, spanning boilers, chillers, compressors and electrical and instrumentation systems. The third covers turbine and generator overhauling across the fleets of NTPC, BHEL, Adani, Reliance, Siemens and the state electricity boards. The fourth, established during FY 2025–26, covers urban mobility, serving metro and monorail systems. All four draw on shared workforce and systems.

Of the 36,246 MW under contract, about 7,541 MW sits under comprehensive contracts governed by key performance indicators, about 14,380 MW under semi-comprehensive contracts and the balance under customer-specific arrangements. Long-term contracts are predominantly with the private sector, covering 29,296 MW across 20 plants, while the government sector accounts for 6,950 MW across six plants. The business is supported by about 18,000 people across skill sets, including around 3,600 engineers and supervisors, and by maintenance management and diagnostic systems together with in-house training facilities.

Customers increasingly ask for end-to-end plant operation governed by defined performance indicators, alongside comprehensive maintenance including annual capital overhauls. Long-term contracts are more prevalent in the private sector, consistent with international practice, though government utilities have moved in the same direction over recent years to improve operational efficiency. Power generation capacity addition if 8-to-10 GW a year is set to extend the addressable base, and metro expansion opens a second corridor with a different set of requirements.

Operational Milestones

The unit secured 23 mandates during the year, representing order inflow of ₹1,891 crore – its highest to date.

The largest was a five-year contract for the 5×660 MW Adani plant at Tiroda, covering the boiler, turbine and generator, balance of plant, ash and coal handling, and environment and horticulture systems, at about ₹710 crore. Operation and maintenance of SJVN's 2×660 MW Buxar plant was secured at about ₹498 crore, and of Hindustan Zinc's 91.5 MW captive plant at Zawar at about ₹109 crore. A steady stream of turbine and generator overhauls, boiler overhauls and contract renewals across the country supported these.

Subsequent to the year end, the Company received the letter of intent for long-term operation and maintenance of the Mumbai Monorail, covering 19.5 km over five years at a contract value of about ₹300 crore. The letter of intent is dated April 2026 and falls in FY 2026–27, so the mandate is not included in the order inflow reported above; operations commence during the current year. It is the first mandate under the urban mobility sub-unit and marks the Company's entry into urban rail operation and maintenance, a segment where operators are moving towards outsourced maintenance and where the barrier to entry is the operating record rather than the technical capability.

Turning to revenue rather than inflow, international operation and maintenance revenue grew to about ₹315 crore, or 16.7% of the segment's total revenue of ₹1,881 crore for the year.

Outlook

The identified pipeline for FY 2026–27 exceeds ₹5,000 crore, the largest of any unit, concentrated in long-term contracts for captive and independent power producer fleets in Chhattisgarh, Gujarat, Odisha, Telangana, Maharashtra and Uttar Pradesh, together with renewals across the existing portfolio.

Three directions extend the base. Nuclear operation and maintenance becomes accessible under the SHANTI Act, 2025. Urban mobility scales from the Mumbai mandate towards the metro networks now expanding across the larger cities, where the barrier to entry is the operating record rather than the capability. Process industry outsourcing continues to shift at the major steel and cement producers. Beyond these, maintenance of solar, wind and battery storage assets is an emerging requirement that pairs naturally with the Company's renewable execution work.

5.6 EPC Division

Overview

The EPC Division delivers balance of plant packages on a turnkey basis, taking single-point responsibility for engineering, procurement and construction. It was formed to move the Company from package execution under a lead contractor to principal contracting in its own right, drawing on the erection, civil and commissioning capability built up across the other units.

The scope of the division encompasses major Balance of P lant systems for thermal power projects, including:

- cooling towers based on both induced-draft and natural-draft technologies
- coal, biomass and ash handling systems
- Pre-Treatment (PT), Demineralization (DM), Circulating Water (CW), Effluent Treatment Plant (ETP), Sewage Treatment Plant (STP) water systems
- fire protection and detection systems, and
- air-conditioning and ventilation systems.

The division offers integrated project execution capabilities covering civil, mechanical, electrical, control, and instrumentation works under a single umbrella, supported by in-house fabrication capabilities and an established and reliable vendor network. This integrated approach enables effective coordination across disciplines, optimises project execution, and ensures timely delivery of complex BOP packages.

Operational Milestones

The division has also established strong execution credentials through its successful involvement in major power projects. Since FY 2022–23, it has been executing the Flue Gas Desulphurisation (FGD) package for the 2×660 MW Udupi Thermal Power Plant through Adani Power. In addition, the division is executing the Induced Draft Cooling Tower package for the 2×800 MW Koderma project of DVC through BHEL PSER.

Power and industrial clients are moving from package-based contracting towards turnkey delivery, and the reason is schedule risk. On a supercritical unit the balance of plant sits on the critical path, and an owner running multiple packages carries the interface risk between them. A turnkey contract transfers that risk to the contractor and gives the owner one accountable party for cost and schedule. Qualification is the barrier: owners require demonstrated principal contractor experience on comparable capacity, which limits the field to contractors with engineering depth, procurement reach and a record of multi-package integration.

The division secured the balance of plant EPC package for Stage-II of the Singareni Super Thermal Power Project in Telangana, a 1×800 MW unit, awarded by BHEL at ₹2,550 crore.

The scope covers water systems (PT, DM, CW, CPU, ETP, and STP), coal handling plant and the ash handling plant, cooling tower, fire protection and detection, air conditioning and ventilation along with associated civil and structural work. The Company carries single-point accountability for engineering, for supply chain integration of the major mechanical and electrical packages, and for construction, rather than executing a smaller package under a lead contractor.

The award also changes what the Company can bid for. Balance of Plant on EPC (BOP) basis for an 800 MW unit is the qualification threshold most state and central tenders apply, and the mandate establishes that credential.

Outlook

The near-term order pipeline is well positioned around Balance of Plant (BOP) packages for state and central power-generating utilities, with a significant number of projects expected to be finalised over the next two years.

Beyond thermal BOP, two directions are under assessment. Utilities and material handling packages for steel plants draw on the same integration capability and follow the capacity expansion mentioned earlier in the Mining, Metals, and Minerals overview. BOP scope for small modular reactors under the Bharat SMR programme is a longer-dated prospect, opened by the private participation the SHANTI Act, 2025 permits, and one where balance of plant is the natural entry point for a contractor without reactor island experience.

The division's priority for the year ahead is conversion. Singareni has to be executed to schedule, because a turnkey record is built on delivery rather than on award, and every subsequent bid will be assessed against it.

5.7 Water and Hydro Power

Overview

The Water and Hydro Power unit delivers rural and urban water infrastructure together with a long-term operation and maintenance layer, and holds electromechanical capability for hydro stations covering turbines, generators and station auxiliaries.

The Company entered the water segment following the opportunities identified in the 2019 National Infrastructure Pipeline, taking an order valued at about ₹2,728 crore covering about 1,091 schemes across four districts of Uttar Pradesh and about 1,969 villages, comprising tubewells, water treatment plants, overhead tanks, distribution networks and household connections. The contract includes a ten-year operation and maintenance component valued at about ₹700 crore, running on a scheme-by-scheme basis from completion of each scheme.

Operational Milestones

Work valued at about ₹1,754 crore of the ₹2,728 crore mandate had been completed as at 31 March 2026, with about 493 schemes commissioned and the remainder under execution. The ten-year operation and maintenance component has been under way since 2024 on completed schemes, with revenue accruing over ten years from the commissioning of each.

Outlook

With the revised budget allocation in place, the balance works are expected to complete in FY 2027–28. As schemes are handed over, the segment's contribution shifts progressively from construction revenue to the operation and maintenance tail, which runs for ten years from each completion and provides recurring revenue well beyond the construction period.

5.8 Mining and Renewable Energy

Overview

The Mining and Renewable Energy unit covers two verticals. The mining vertical operates long-tenure mine developer and operator mandates; the renewable vertical develops, executes and operates solar and battery energy storage projects through a dedicated subsidiary.

Mining scope runs from mine development and overburden removal through extraction, washery operations and rehabilitation and resettlement obligations, executed through project-specific vehicles that embed operational accountability alongside long-term revenue visibility. Allied work covers crushing, screening, stockyard management and the rail and road dispatch interface. The unit also undertakes sand and river-bed mineral extraction in Madhya Pradesh and Uttarakhand. Alongside the mine developer and operator mandates, the Company executes first mile connectivity works with technology partners.

The renewable vertical delivers engineering, procurement and construction together with asset ownership on build-own-operate terms, covering solar, battery energy storage and firm dispatchable renewable configurations that combine generation with storage.

On the renewable side, the frontier has moved from standalone solar and wind towards firm and dispatchable configurations and standalone storage, which are the architectures that address intermittency at grid scale.

Operational Milestones

The defining development of the year was the commencement of revenue generation at the KBP mine from November 2025, marking the mining vertical's shift from development to earning. The Tasra mine continued in steady-state execution. The two mandates, held for Central Coalfields Limited and SAIL respectively, carry tenors of 25 to 28 years, anchor the mining and renewables order book of ₹39,253 crore as at 31 March 2026, and can reach combined peak output of 9 MTPA.

In first mile connectivity, the 9 MTPA Kurmitar iron ore facility, delivered with Thyssenkrupp for Adani as mine developer, is nearing completion. The first phase at the 15 MTPA Talabira coal handling facility will supply coal to NLC's 2,400 MW Talabira power project.

To extend forward integration and strengthen the margin profile, the Company is developing a coking coal washery at Tasra, moving the mining vertical from extraction into beneficiation.

The renewable vertical established its first position with a mandate valued at approximately ₹159 crore, covering three grid-connected plants totalling 13.661 MW in Bihar under the PM-KUSUM scheme, with power supplied to the State distribution utilities under a mandated 25-year power purchase agreement.

Outlook

The Company remains focused on scaling mine developer and operator capacity by around 15 MTPA over the next decade as it evolves into an integrated resource and services provider. Government monetisation policy and greater private participation continue to open further mandates, with medium-term opportunity in iron ore linked to the steel capacity target, and in critical mineral corridors under the Critical Minerals Mission. Managing these assets over the long term strengthens both revenue and margin, supported by escalation provisions, and allows execution work on such mandates to be paired with the operation and maintenance scope the Company already handles. Extending from extraction into washing and dispatch integration lengthens the margin capture on each mandate.

In renewables, the Company continues to pursue opportunities selectively, where they align with its capabilities and margin thresholds, so that growth is achieved alongside margin improvement. Firm dispatchable configurations and standalone storage are the segments under closest evaluation, given the tariff structures they command and the procurement shift now under way. Pairing in-house execution during the investment phase with in-house operation and maintenance after commissioning creates a durable model, and the Company aspires to more such contracts.

6. Key Focus Areas

The following priorities guide the deployment of capital, capacity and management attention over the plan period. Each builds on capability the Company already holds.

Focus area	Description
Business consolidation	Consolidating core business performance through full backward and forward integration.
Infrastructure EPC opportunities	Identifying feasible and rewarding engineering, procurement and construction contracts across infrastructure segments, including railways, water projects, roads, urban infrastructure development and energy.
Non-power sector execution	Enhancing project execution capability by extending engineering, procurement and construction capacity into non-power sectors, including mining and metals, developing the human resource base and improving asset utilisation for timely project completion.
Operation and maintenance expansion	Expanding the operation and maintenance business with a focus on utility and captive thermal power plants, integrating the spare parts business, scaling international operations and extending into the non-power sector, while raising the share of key performance indicator based contracts for higher value addition.
Engineering and project solutions	Entering value-added services to move the Company towards a total service provider position by strengthening engineering and project-based solutions.
Digital and risk management	Implementing digital initiatives directed at risk management and productivity improvement.
Overseas consolidation	Pursuing geographic expansion with a focus on the export space, and consolidating overseas business operations.

7. Strengths, Opportunities and Threats

7.1 Strengths

Strength	Description
Multi-sector service coverage	A comprehensive service provider operating across both power and non-power sectors.
Market-leading position in operation and maintenance	The largest operation and maintenance service provider in the country, backed by full forward and backward integration.
Long-tenure order book	An order book reinforced by long-term mine developer and operator mandates, giving revenue visibility over decades rather than project cycles.
Extensive heavy machinery base	A substantial owned asset base, including more than 300 cranes together with a wide range of civil construction equipment.
Global project footprint	Demonstrated capability in managing and executing industrial projects internationally across West Asia, Africa and South Asia.
Long-standing client relationships	Established relationships with leading original equipment manufacturers, engineering, procurement and construction companies and utilities.
Depth of management and execution	Operational execution led by an experienced management team with long tenure in the sector.
Stable financial profile	A sound financial position, with margins sustained through the cycle and moderate gearing.
Skilled and diverse workforce	Access to a large pool of technical talent with relevant industrial expertise across a wide range of trades and disciplines.

7.2 Opportunities

Opportunity	Description
Balance of plant packages	The Singareni balance of plant mandate establishes the qualification most state and central tenders apply for an 800 MW unit, and the coal-based capacity addition set out in Section 2.1 generates a continuing flow of comparable packages.
Mining and mine developer and operator contracts	Growing participation in mine developer and operator mandates offers long-term growth in mining services, with the steel capacity expansion described in Section 2.4 opening further iron ore and mineral opportunities.
Urban rail operation and maintenance	The Mumbai Monorail mandate opens entry into urban rail operation and maintenance, a segment where operators are increasingly outsourcing maintenance as metro networks expand across the larger cities.
Subcontracting from principal contractors	Recent power project awards to major engineering, procurement and construction contractors create direct subcontracting opportunities for civil, structural, mechanical and auxiliary works.
International operation and maintenance	Overseas markets continue to offer shutdown assignments, capital overhauls and long-term operation and maintenance contracts, particularly across the gas-fired fleet described in Section 2.2.
Energy storage	Battery energy storage systems and pumped storage projects allow the Company to participate in the grid stability requirement arising from the renewable build-out.
Solar generation	Entry into solar through the PM-KUSUM scheme in Bihar allows the Company to use central and state support to build decentralised generation for agricultural feeders, with a 25-year power purchase agreement attached.
Infrastructure expansion	Urban development, smart city programmes and the national infrastructure pipeline continue to generate civil construction and related service opportunities.
Technology adoption	Advanced construction technology and digital tools, including drone survey and condition-based maintenance, offer scope to improve project efficiency and reduce cost.

7.3 Threats

Threat	Description
Delays in government fund allocation	Receivables can remain outstanding where budgetary allocation to a government-funded programme is delayed, holding up certification and collection. This has been a feature of the water business during the year.
Market competition	The construction and maintenance sector has a large number of participants of varying scale, which can intensify competition and compress margins.
Safety and reputational exposure	Operating heavy machinery on complex sites carries inherent safety risk, and an incident or a compliance failure can give rise to legal consequences and reputational damage.
Regulatory compliance	Environmental and safety requirements continue to tighten, and changes can delay execution or add cost.
Input cost and supply chain	Geopolitical disruption can move steel, cement and other input prices sharply, while delivery of manufactured items can slip. Site access dependent on land availability and statutory clearances is a further constraint on schedule.
Client concentration	A significant share of revenue is drawn from a limited number of large clients and government entities, so a reduction in their capital programmes would have a disproportionate effect.

8. Financial Review

Revenue from operations rose 15.81% to ₹6,061.57 crore, on execution across the industrial and infrastructure construction units and a higher contribution from operation and maintenance. Earnings before interest, tax, depreciation and amortisation grew 15.58% to ₹750.29 crore, holding the margin broadly flat at 12.29% against 12.30%. Profit before tax rose 13.49% to ₹557.50 crore and profit after tax 18.45% to ₹411.68 crore, the wider gain at the post-tax level reflecting a lower effective tax charge.

Return on equity moderated to 15.49% from 16.26% and return on capital employed to 22.24% from 23.10%, in both cases because the equity and capital base expanded faster than earnings during a year of investment in the mining business. Book value per share rose 16.60% to ₹796.55 and earnings per share 11.49% to ₹115.12.

(₹ in crore, except per share data and ratios)

Particulars	FY 2025-26	FY 2024-25	Change
Revenue	6,061.57	5,234.14	15.81%
EBITDA	750.29	649.16	15.58%
EBITDA margin	12.29%	12.30%	−1 bps
Profit before tax	557.50	491.24	13.49%
Profit after tax	411.68	347.55	18.45%
Return on equity	15.49%	16.26%	−4.74%
Return on capital employed	22.24%	23.10%	−3.72%
Book value per share (₹)	796.55	683.17	16.60%
Earnings per share (₹)	115.12	103.26	11.49%

Source: Company financial statements.

8.1 Key Financial Ratios

Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule V Part B(1), details of key financial ratios are given below.

Key financial ratio	FY 2025-26	FY 2024-25	Change
Interest coverage ratio	5.84	5.98	−2.23%
Current ratio	1.71	1.80	−5.01%
Debt equity ratio	0.26	0.33	-21.21%
Operating profit margin	12.24	12.25	-0.08%
Net profit margin	6.80%	6.66%	2.21%
Debtors turnover (days)	93	102	−8.62%
Inventory turnover (days)	15.93	13.82	15.31%

Note: the movement in inventory turnover reflects higher average inventory held during the year. No other ratio moved by 25% or more.

9. Risk Management

The Company operates a risk management framework that identifies exposures across its businesses and geographies, assesses their likely impact and assigns mitigation to the units accountable for them. The principal risks and the Company's response to each are set out below.

Risk	Description	Impact	Mitigation
Economic	An economic slowdown may reduce the flow of new projects, particularly in capital-intensive sectors.	Reduced revenue and a lower volume of work in hand.	Diversify across sectors and geographies so that no single demand cycle governs the order book, and maintain a recurring services layer that is less sensitive to the investment cycle.
Competition	A large number of domestic and international contractors offer comparable services.	Compressed margins and a lower probability of conversion on competitively bid work.	Maintain long-term client relationships, offer specialised services where the field is narrower, and bid selectively rather than on volume.

Risk	Description	Impact	Mitigation
Regulatory	Changes to regulation, safety legislation or environmental policy can alter project requirements mid-execution.	Delays, financial penalties or suspension of work.	Track regulatory developments continuously, maintain compliance systems at project level, and engage early with authorities on approvals.
Input cost and supply chain	Prices of steel, cement and other inputs fluctuate, and delivery of manufactured items can slip.	Higher project cost and margin erosion on fixed-price work.	Use contracts incorporating price adjustment clauses, secure long-term supply arrangements, and hedge exposures where instruments are available.
Operational	Weather, site access, land availability and clearance delays can disrupt execution.	Schedule slippage, cost escalation and exposure to liquidated damages.	Plan with contingency, maintain project controls and scheduling systems, and hold safety and quality standards across sites.
Client concentration	A significant share of revenue is drawn from a limited number of large clients and government entities.	A material reduction in their capital programmes would affect revenue disproportionately.	Broaden the client base across private enterprises and new sectors, and lengthen contract tenors so that revenue is less dependent on annual award cycles.
International operations	Overseas work carries political, currency and jurisdictional exposure.	Unanticipated delays, cost escalation and translation effects on earnings.	Assess country risk before entering a market, operate through in-country entities and joint ventures, and hedge currency exposure where practical.
Safety and reputation	Heavy machinery, working at height and live plant environments carry inherent safety risk.	Injury, legal consequence, contractual penalty and reputational damage.	Maintain safety management systems, training and audit at every site, with incident reporting and corrective action tracked to closure.
Technology	Slow adoption of modern construction methods and digital tools erodes competitiveness.	Longer schedules, higher cost and weaker position in qualification.	Invest in plant, digital project controls and condition-based maintenance, and train the workforce on new methods.
Manpower	Skilled personnel are difficult to source in some trades, and industrial relations can disrupt work.	Delays and quality shortfalls where crews are short.	Build a stable core workforce through training and progression, supplemented by planned outsourcing, and maintain constructive industrial relations.

10. Human Resources

The Company's business is people-intensive. Executing complex projects and operating power plants under performance-linked contracts depends on holding a large workforce of varied skills, matched by supervisors and engineers with the experience to direct it. Human resource practice is built around that requirement.

The Company employs about 40,000 people – the operation and maintenance business accounts for about 18,000, project execution and construction for about 20,500, and over 1,500 technical personnel are deployed on overseas projects. The complement of engineers and supervisors is about 3,600. Manpower planning is need-based and deployment is matched to the stage each project has reached, with a focused recruitment plan aligned to business requirements and outsourcing used where it is the more efficient route.

Talent acquisition is directed at professionals whose capabilities and aspirations align with the Company's direction, supported by structured induction. The Company invests in its people through technical training, statutory and safety training, functional workshops, behavioural interventions and continuous learning platforms. Leadership development runs through the Young Leaders Development Programme and the Senior Leaders Development Programme, which together build the succession pipeline across the organisation.

Capability building is directed at the competencies the business needs next. Alongside domain certification, project management, and digital and analytical skills, specialised programmes support the newer verticals — urban rail operation and maintenance, renewable energy and infrastructure — so that entry into an adjacent segment is matched by the capability to serve it.

The performance management framework sets clear goals, provides regular feedback and links recognition to merit. Compensation is competitive and benefits comprehensive, with incentives directed at operational excellence and client service. The Company promotes open communication, collaboration and diversity across its workforce, and continues to encourage greater participation of women professionals across its operations.

Work continues on strengthening the function itself, through digitalisation of human resource processes, competency-based talent management, succession planning, structured career progression, workforce planning and people analytics.

11. Internal Control System

The Company maintains a system of internal controls designed to safeguard its assets, ensure their proper use, and ensure that financial transactions are authorised, recorded and reported correctly. Accurate financial reporting and the prevention and detection of fraud are central to its design.

The Internal Controls and Criteria Team maintains documented procedures and approval mechanisms, with checks applied from the initiation of a task and throughout its progress so that material changes are tracked. The team also reviews whether key processes carry sufficient control in their design.

Independent internal auditors review the Company's operations and procedures in accordance with SEBI requirements. The statutory auditors have reviewed the financial statements, including internal financial controls over financial reporting, in accordance with Section 143 of the Companies Act, 2013, and their findings form part of the audit report accompanying the financial statements.

12. Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Factors that could cause such a difference include economic conditions affecting demand and supply, price conditions in the domestic and overseas markets in which the Company operates, competitive pressure in those markets, changes in government regulation, tax laws and other statutes, the availability and cost of inputs and finance, and incidental factors beyond the Company's control.

The Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74140TG1999PLC032156
2.	Name of the Listed Entity	Power Mech Projects Limited
3.	Year of Incorporation	1999
4.	Registered Office Address	Plot No.77, Jubilee Enclave, Opposite: Hitex, Madhapur, Hyderabad, Telangana-500081
5.	Corporate Address	
6.	Email Address	cs@powermech.net
7.	Telephone	040-30444418
8.	Website	www.powermechprojects.com
9.	Financial Year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 31,61,62,920
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	M. Raghavendra Prasad Company Secretary and Compliance Officer Contact: 040-30444418 Email: cs@powermech.net
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on Standalone basis, unless otherwise specified.
14.	Name of assessment or assurance provider	Not applicable
15.	Type of assessment or assurance obtained	Not applicable

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Construction	Roads, Railways and Utility Projects	100.00%

17. Products/Services sold by the Entity (accounting for 90% of the Entity's turnover)

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Construction	421 & 422	100.00%

III. Operations

18. Number of locations where plants and/or operations/offices of the Entity are situated:

Location	Number of plants	Number of offices	Total
National	-	20	20
International	-	03	03

19. Markets served by the Entity

a. Number of locations

Locations	Number
National (No. of States)	20
International (No. of Countries)	07

b. What is the contribution of exports as a percentage of the total turnover of the Entity?

The Entity is primarily engaged in domestic infrastructure development activities such as roads, railways, and utility projects, therefore, the contribution of exports to the total turnover of the Entity is Nil. The operations are executed in their entirety in India, with no export-oriented business components.

c. A brief on Types of customers

With specialisation in the provision of integrated solutions within the power and infrastructure sectors, Power Mech Projects Limited is a leading business-to-business (B2B) enterprise. The core competency of the Entity lies in delivering specialized engineering and construction services to a diverse client base, including government bodies, public sector undertakings, private enterprises, and industrial organisations.

Power Mech offers a comprehensive portfolio of services, which includes:

- Power Plant Construction: The Entity excels in the expansion of existing facilities as well as the design, engineering, and construction of new power plants.
- Equipment Installation: The Entity is responsible for the installation of critical power plant components such as turbines, generators, and boilers, ensuring operational efficiency and reliability.
- Maintenance and Overhaul: The Entity delivers end-to-end maintenance and overhaul services aimed at preserving the performance and extending the lifecycle of power plant equipment.
- Civil Works: The Entity undertakes civil engineering projects related to power plant construction, including the development of roads, bridges, and other essential infrastructure.

Power Mech has earned a reputation as a reliable partner for organizations seeking efficient and dependable power and infrastructure solutions, with its deep technical expertise and unwavering commitment to quality. The Entity's focal point is its B2B engagements; they ensure that its offerings are tailored to the specific needs of its clients, thereby supporting their long-term success and development.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	4643	4588	99%	55	1%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	4643	4588	99%	55	1%
	WORKERS					
4.	Permanent (F)	5321	5287	99%	34	1%
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	5321	5287	99%	34	1%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25.00%
Key Management Personnel	2	0	0.00%

22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29.00%	10.50%	29.00%	21.30%	7.40%	21.10%	27.00%	27.00%	27.00%
Permanent Workers	19.00%	9.30%	19.00%	30.80%	25.00%	30.80%	27.00%	27.00%	27.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Name of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by the listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed Entity? (Yes/No)
1	Power Mech Industri Private Limited	Subsidiary	100.00%	No
2	Hydro Magus Private Limited	Subsidiary	88.10%	No
3	Power Mech BSCPL Consortium Private Limited	Subsidiary	51.00%	No
4	Power Mech SSA Structures Private Limited	Subsidiary	100.00%	No
5	PM Green Private Limited	Subsidiary	100.00%	No
6	KBP Mining Private Limited	Subsidiary	74.00%	No
7	Kalyaneswari Tasra Mining Private Limited	Subsidiary	74.00%	No
8	PMTS Private Limited	Subsidiary	100.00%	No
9	Deoghar Ring Road Project Private Limited	Subsidiary	100.00%	No
10	Suryatna Projects Private Limited	Subsidiary	60%	No
11	Power Mech Projects LLC	Subsidiary	70.00%	No
12	Power Mech Projects BR FZE	Subsidiary	100.00%	No
13	Power Mech Arabia Contracting Company	Subsidiary	76.00%	No
14	Vanshika Mining Works LLP	Subsidiary	51.00%	No
15	Velocity Mining Works LLP	Subsidiary	51.00%	No
16	Vindyavasini Mining Works LLP	Subsidiary	51.00%	No
17	Kailash River Bed Mining LLP	Subsidiary	51.00%	No
18	PMTS Technology LLC	Subsidiary	100.00%	No
19	PMTS Inc	Subsidiary	100.00%	No
20	MAS Power Mech Arabia	Associate	49.00%	No
21	Power Mech LLC	Associate	49.00%	No
22	GTA Power Mech Nigeria Limited	Joint Venture	50.00%	No
23	GTA Power Mech DMCC	Joint Venture	50.00%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover (in Rs.): ₹ 4727.65 Cr

(iii) Net worth (in Rs.): ₹ 2394.96 Cr

VII. Transparency and Disclosure Compliances

25. **Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY 2025-26			FY 2024-25		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	None	0	0	None
Investors (other than shareholders)	Yes	0	0	None	0	0	None
Shareholders	Yes	0	0	None	0	0	None
Employees and workers	Yes	0	0	None	0	0	None
Customers	Yes	0	0	None	0	0	None
Value Chain Partners	Yes	0	0	None	0	0	None
Others (please specify)	Yes	0	0	None	0	0	None

26. Overview of the Entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Risk	The rationale for identifying Energy Management as a material issue for Power Mech Projects Limited is due to the energy-intensive nature of its construction and infrastructure operations within the power sector. Effective energy management is essential for improving operational efficiency, optimizing resource utilization, reducing greenhouse gas emissions, and managing operating costs. Conversely, inefficient energy use may lead to increased energy consumption, higher operational expenses, greater environmental impacts, and potential regulatory and reputational risks. By strengthening its energy management practices, the Entity aims to enhance operational resilience, support climate-related objectives, and create long-term sustainable value.	To mitigate energy management risks, Power Mech adopts a multifaceted approach focused on improving efficiency, reducing emissions, and optimizing resource use. The Company invests in energy-efficient technologies and upgrades existing equipment to lower energy consumption per unit of output. It also implements Energy Management Systems (EMS) to enable real-time monitoring, analysis, and optimization of energy use, thereby minimizing wastage and improving operational efficiency. Employee training and awareness programmes further reinforce energy conservation practices and promote a culture of sustainability across operations. In addition, the Company explores the integration of renewable energy sources, such as solar and wind power, within its energy mix to reduce dependence on fossil fuels and lower its overall environmental footprint.	Negative
2	Water & Waste Management	Risk	The rationale for identifying Water and Waste Management as a material issue for Power Mech Projects Limited is because of the energy-intensive nature of its construction and infrastructure operations within the power sector. This issue presents inherent risks due to the extensive use of water in both construction activities and power generation processes. Moreover, the generation of waste materials such as construction debris and hazardous waste from power plant operations, introduces environmental and regulatory challenges. Ineffective management of water resources and waste materials can result in a range of risks, including water scarcity, environmental pollution, noncompliance with regulations, and potential reputational damage.	To address the identified risks associated with Water and Waste Management, Power Mech can implement a series of targeted strategies. Primarily, the adoption of water conservation measures and efficient waste management practices can help reduce the company's environmental footprint and lower the risk of regulatory noncompliance. These measures may include recycling and reusing water in construction activities, installing wastewater treatment systems, and ensuring proper segregation and disposal of waste materials. In addition, investing in advanced technologies and infrastructure for sustainable water and waste management can significantly improve operational efficiency and enhance the company's resilience to regulatory changes.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Waste & Hazardous Materials Management	Risk	Waste and Hazardous Material Management has been identified as a material issue due to the nature of Power Mech's construction and infrastructure operations, which involve the generation, handling, storage, and disposal of various waste streams, including hazardous materials. Ineffective waste management practices may result in adverse environmental impacts, including air, soil, and water contamination, while also posing health and safety risks to employees, contractors, and surrounding communities. Furthermore, failure to comply with applicable environmental regulations can lead to legal liabilities, financial penalties, operational disruptions, and reputational risks. Effective waste and hazardous material management is therefore essential to minimizing environmental impacts, ensuring regulatory compliance, and supporting the Entity's commitment to responsible and sustainable operations.	Power Mech adopts a proactive approach to Waste and Hazardous Material Management by implementing robust waste management systems and standardized procedures for the safe handling, storage, transportation, and disposal of hazardous materials. The Company emphasizes waste segregation at source, compliance with applicable environmental regulations, and the use of appropriate Personal Protective Equipment (PPE) to safeguard employees involved in handling hazardous substances. In addition, Power Mech continually evaluates opportunities to strengthen its waste management practices through investments in advanced waste treatment, recycling, and pollution control technologies. These initiatives help minimize environmental impacts, reduce reliance on landfill disposal, enhance regulatory compliance, and support the Company's commitment to sustainable and responsible operations.	Negative
4	Product Quality & Safety	Opportunity	Product Quality and Safety has been identified as a material issue owing to its critical role in ensuring operational excellence, customer satisfaction, and long-term business sustainability. Consistently delivering high-quality products and services that meet or exceed industry standards and regulatory requirements enables Power Mech to strengthen client trust, enhance customer retention, and reinforce its competitive position in the market. A strong focus on quality and safety also mitigates risks associated with construction defects, operational failures, workplace incidents, and regulatory non-compliance, thereby reducing potential financial and legal liabilities while safeguarding the Entity's reputation. By embedding quality and safety across its project lifecycle, Power Mech enhances stakeholder confidence and supports sustainable value creation.	---	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Employee Health & Safety	Risk	Employee Health and Safety has been identified as a material issue due to the inherent risks associated with construction and infrastructure activities, which require robust management to safeguard the well-being of the workforce. Failure to effectively manage these risks may result in workplace incidents, occupational illnesses, regulatory non-compliance, financial liabilities, and reputational impacts. Conversely, maintaining a strong health and safety framework enables Power Mech to provide a safe and healthy working environment, enhance employee well-being, improve productivity and operational efficiency, and strengthen stakeholder confidence. By embedding health and safety into its operational practices, the Entity reinforces its commitment to responsible business conduct and sustainable value creation.	Power Mech adopts a comprehensive approach to safeguarding employee health and safety by implementing robust safety management systems and fostering a strong culture of safety across its operations. The Company's risk mitigation framework includes regular safety training and awareness programmes, systematic hazard identification and risk assessments across construction sites and power plants, and strict compliance with applicable occupational health and safety regulations. To further enhance workplace safety, Power Mech provides appropriate Personal Protective Equipment (PPE), maintains well-defined emergency preparedness and response plans, and undertakes periodic health monitoring initiatives. These measures collectively strengthen the Entity's ability to minimize workplace risks, prevent incidents, and ensure the well-being of its workforce.	Negative
6	Product Design & Life-Cycle Management	Opportunity	Power Mech Projects Limited (PMPL) is pursuing a disciplined international expansion strategy aimed at diversifying its revenue base and strengthening its presence in high-growth markets. Nigeria remains a strategic focus, where the Entity continues to explore opportunities across the power and infrastructure sectors by leveraging its engineering expertise and execution excellence. In addition, PMPL is assessing opportunities in the desalination sector through strategic joint ventures, reflecting its commitment to business diversification and supporting the development of sustainable water infrastructure. These initiatives are aligned with the Entity's long-term growth objectives, enabling it to broaden its service offerings, enter emerging sectors, and build resilient revenue streams. Backed by a proven execution track record and strong technical capabilities, PMPL is well-positioned to capitalize on international opportunities while delivering sustainable value to customers and stakeholders.	---	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	a. Whether the Entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
	b. Has the policy been approved by the Board? (Yes/No)	Yes	No	No	No	No	No	No	Yes	No
	c. Web Link of the policies, if available	The policies of the Entity can be accessed through the following link: https://powermechprojects.com/codes-policies/ The Entity holds confidentiality in high regard, therefore, a subset of the Entity's policies designated for internal use can be conveniently accessed through the intranet. The intranet is a comprehensive repository for a multitude of policies that regulate the operations and conduct within the organisation.								
2.	Whether the Entity has translated the policy into procedures. (Yes/No)	Yes, the Entity has translated the policies into procedures.								
3.	Do the enlisted policies extend to the Entity's value chain partners? (Yes/No)	These extend to value chain partners wherever it is relevant and to the extent applicable.								
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Entity and mapped to each principle.	The Entity's operations adhere to the National Guidelines on Responsible Business Conduct (NGBRC) ISO 9001:2015 (Quality Management System) OHSAS 18001:2007 (Health and Safety Management System) ISO 14001:2015 (Environmental Management System)								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Entity is in the process of refining its strategic planning framework and, as of now, has not formalized specific commitments, goals, or targets with defined timelines under this reporting structure. Consequently, performance tracking against such targets is not applicable for the current reporting period. The Entity aims to establish measurable objectives aligned with its long-term vision in future cycles.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons, in case the same are not met.									

Governance, leadership and oversight

7. **Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

As a leading player in the construction of power plants and infrastructure projects, Power Mech recognizes the critical importance of environmental, social, and governance (ESG) considerations in its operations. Environmental stewardship remains a core priority, with proactive measures implemented across all project sites. These include large-scale tree plantation drives, resulting in visibly greener surroundings, and a strong commitment to minimizing plastic usage. The Entity has adopted a stringent waste management policy, ensuring timely and safe disposal of materials, with recyclable scrap systematically collected and processed. On the social front, Power Mech actively fosters positive engagement with local communities. Initiatives include support for nearby schools and healthcare facilities, along with regular outreach by management teams to address community needs.

The Entity places a strong emphasis on worker safety and well-being, cultivating a socially responsible and inclusive work environment. These efforts reflect our long-term vision of contributing to a sustainable future for current and future generations.

Sajja Kishore Babu
Managing Director & Chairman
(DIN: 00971313)

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**	The individual vested with the highest authority for the implementation and oversight of the Business Responsibility policies is Mr. Sajja Kishore Babu. In his capacity as Chairman & Managing Director, Mr. Babu has been formally designated to ensure the effective execution and compliance with the policy, thereby upholding its objectives and guiding principles. His leadership and expertise are instrumental in reinforcing the organization's commitment to responsible and sustainable business practices.								
9.	**Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.**	Risk Management Committee has been tasked with decision-making authority on all aspects related to sustainability issues. Composition of Risk Management Committee: Mr. Bontha Prasad Rao (DIN: 01705080) Chairman of the Committee, Independent Director Mr. Jayarama Prasad Chalasani (DIN: 00308931) Member, Independent Director Mr. M. Rajiv Kumar (DIN: 07336483) Member, Non-Executive Director Mr. Sajja Kishore Babu (DIN: 00971313) Member, Chairman and Managing Director								

10. Details of review of NGRBCs by the Entity:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, performance against enlisted policies and necessarily follow up actions are duly reviewed by the respective committees/authorities.									Need-basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, the Entity comply with statutory requirements relevant to the principles and review was undertaken by the Board of Directors.									Need-basis								

11

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No, Power Mech has not carried out any independent assessment/ evaluation of the working of its policies by an external agency.								

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C: PRINCPLE WISE PERFORMANCE DISCLOSURE

1 Principle

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Sustainable Procurement, Human Right, Compliance under BRSR and POSH	100.00%
Key Managerial Personnel	5	Sustainable Procurement, Human Right, Compliance under BRSR and POSH	100.00%
Employees other than Board of Directors and KMPs	8	Prevention of corruption and reporting the same, Human Rights of Employees, POSH	92.00%
Workers	4	Human Rights of Employees, POSH	96.00%

2. **Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			Nil		
Settlement					
Compounding fee					
Imprisonment					
Punishment					
Imprisonment			Nil		
Punishment					

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Power Mech is committed to upholding the highest standards of integrity and ethical conduct across all business operations. The following guidelines help ensure full compliance with applicable laws and regulations:

- Employees, representatives, agents, and intermediaries are strictly prohibited from offering or accepting any illegal or improper payments or benefits, whether directly or indirectly, to secure undue advantages in business activities.
- All laws and regulations pertaining to anti-bribery and anti-corruption, anti-competition and data privacy are strictly adhered to, mandatorily.
- Any policy violation may result in severe financial penalties and significant reputational harm to the Entity. This policy can be accessed via the Entity's intranet.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest**

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26	FY 2024-25
Number of days of accounts payables	81	75

9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchasing from the top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealer/distributors as % of total sales	0	0
	b. Number of dealers/distributors to whom sales are made	0	0
	c. Sales to top 10 dealers/distributors as % of total sales to dealer/distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties as % of Total Purchases)	0.00%	-
	b. Sales (Sales to related parties as % of Total Sales)	13.00%	-
	c. Loans & advances given to related parties as % of Total loans & advances	96.00%	-
	d. Investments in related parties as % of Total Investments made	96.00%	-

As of now, the Entity does not have a formal mechanism to accurately compute the concentration metrics due to the diverse and decentralized nature of its vendor and customer network. The Company is currently transitioning to a centralized, advanced ERP system to accurately aggregate decentralized vendor and customer data across numerous project sites. The Company is committed to providing these precise concentration metrics in the upcoming reporting cycle to ensure the highest standards of data integrity. Efforts are ongoing to enhance internal tracking capabilities for future reporting.

2 Principle

Business should provide goods and services in a manner that is sustainable and safe

Essential Indicators:

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R & D Capex	Power Mech Projects Limited is a service provider engaged in erection, commissioning, operation and maintenance (O&M), and civil construction of power and infrastructure projects at client-owned sites. As the Company does not manufacture products or own the underlying assets/infrastructure, there is limited scope for independent R&D or Capex investments in technologies aimed at improving environmental or social impacts, as these are governed by the client's specifications and ownership. The Company continues to ensure its own equipment and operations comply with applicable environmental, health, and safety standards. No specific R&D or Capex investments were made during FY 2025-26 towards environmental or social impact technologies.		

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Ethical and environmentally responsible procurement remains a strong commitment for Power Mech Projects Limited. The dedicated Procurement Team ensures that sourcing decisions align with the Entity's sustainability goals through the following key practices:

- Evaluation of Suppliers: The rigorous assessment of suppliers ensures compliance with ethical standards, labour practices, and social responsibility.
- Sustainable Materials: The vendors who offer eco-friendly and sustainable materials for construction and infrastructure projects are given preference by the Entity.
- Energy-Efficient Technologies: The adoption of energy-efficient equipment and renewable energy solutions, such as solar and wind, wherever feasible is carried out.
- Regulatory Compliance: All procurement activities strictly adhere to environmental laws, supported by regular audits for continued compliance.
- Stakeholder Engagement: An active collaboration with local communities and stakeholders is done to maintain transparency and to address environmental concerns.

It is through these initiatives that Power Mech reinforces its commitment to sustainable development, ethical sourcing, and environmental stewardship.

b. If yes, what percentage of inputs were sourced sustainably?

Considering Power Mech's operations in the power plant construction and infrastructure sectors and its extensive supplier base, the adoption and accounting of sustainable inputs are expected to increase in the years to come.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Power Mech Projects Limited follows established waste management procedures to ensure that materials generated during project execution are reused, recycled, or disposed of responsibly at the end of their useful life.

Waste Category	Process Adopted
(a) Plastics (including packaging)	Plastic waste, insulated PVC cables, packaging materials, cardboard cartons, empty bags, and other recyclable materials are segregated at source and stored separately in designated areas. Recyclable plastics and packaging waste are sent to authorized recyclers or disposed of through approved trade channels. The Company also focuses on minimizing packaging waste as part of its waste minimization strategy.
(b) E-waste	Electronic waste generated at project sites is segregated from other waste streams and disposed of through authorized recyclers or waste management agencies in accordance with applicable regulatory requirements, ensuring environmentally sound recycling and disposal practices.
(c) Hazardous waste	Hazardous waste is stored in leak-proof, compatible, and clearly labelled containers. Incompatible wastes are segregated to avoid reactions, while handling and storage are carried out only by trained personnel following MSDS guidelines. Hazardous waste is disposed of only through authorized hazardous waste treatment, storage, and disposal facilities after obtaining the necessary regulatory approvals.
(d) Other waste	Metal scrap, empty oil drums, heavy pipes, valves, tyres, transmission belts, and other non-hazardous scrap are segregated and stored in designated scrap yards. Reusable materials are transferred to other project sites where feasible, while remaining scrap is periodically cleared through authorized recyclers or trade channels. General construction waste is collected in approved containers, transported safely using covered vehicles, and disposed of at permitted waste disposal facilities.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to the Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

3 Principle

Business should respect and promote the wellbeing of all employees, including those in their value chains

Essential Indicators:

1. A. Details of measures for the well-being of employees:

Category	% of employees covered by											
	Total (A)	Health insurance		Accident insurance		*Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Male	4588	1599	34.85%	4588	100%	0	0%	0	0%	0	0%
Female	55	14	25.45%	55	100%	2	4%	0	0%	0	0%
Total	4643	1613	34.74%	4643	100%	2	0.04%	0	0%	0	0%
Other than Permanent employees											
Male	Not applicable										
Female											
Total											

*All female employees are covered by maternity benefits subject to the T&C of the Insurance policy.

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Male	5287	278	5.26%	5287	100%	0	0%	0	0%	0	0%
Female	34	0	0%	34	100%	0	0%	0	0%	0	0%
Total	5321	278	5.22%	5321	100%	0	0%	0	0%	0	0%
Other than Permanent employees											
Male	Not applicable										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the Entity	0.86%	1.71%

2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100.00%	100.00%	Yes
Gratuity	100%	100%	Yes	100.00%	100.00%	Yes
ESI	9%	12%	Yes	25.00%	37.00%	Yes
Others- please specify	Nil					

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Entity in this regard.

The Entity ensures that all its offices and operational facilities are fully accessible, including those with disabilities, by actively engaging with employees to understand and accommodate their mobility needs, integrating feedback into ongoing accessibility improvements.

All buildings, restrooms, recreational areas, and common spaces are designed to be inclusive and secure, featuring accessibility elements such as ramps, handrails, lifts, and designated walkways. These features enable individuals with mobility challenges to navigate the premises comfortably and independently. Furthermore, the Entity permits the use of personal vehicles within factory premises, which enhances convenience and accessibility for all employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. Power Mech holds a commitment to delivering value through equality and to nurture and promote human diversity across its operations. The policy is available on the intranet of the Organization.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

Note: During the period under review, no employees or workers availed of parental leave.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers Other than permanent workers Permanent employees Other than permanent employees	The Entity has instituted a Centralized Grievance Committee to effectively manage and resolve employee concerns across all categories. This Committee serves as a structured and transparent platform for grievance submission and resolution. The key functions of the Committee include: **Grievance Submission:** Employees are provided with an accessible channel to raise concerns. **Fair Resolution:** The timely, impartial, and thorough investigation of grievances is ensured. **Upholding Fairness:** Promoting transparency, accountability, and respectful workplace practices. **Confidentiality Assurance:** Maintaining strict confidentiality throughout the grievance process to protect employee privacy. Through this mechanism, the Entity reinforces its commitment to fostering an inclusive, supportive, and responsive work environment.

7. **Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

Category	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	**4643**	**4643**	**100%**	**4,296**	**0**	**0**
– Male	4588	4588	100%	4,242	0	0
– Female	55	55	100%	54	0	0
Total Permanent Workers	**5,321**	**5,321**	**100%**	**4,967**	**0**	**0**
– Male	5,287	5,287	100%	4,963	0	0
– Female	34	34	100%	4	0	0

8. **Details of training given to employees and workers:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	4588	4588	100.00%	4588	100.00%	4,413	4,413	100.00%	4,413	100.00%
Female	55	55	100.00%	55	100.00%	54	54	100.00%	54	100.00%
Total	4643	4643	100.00%	4643	100.00%	4,467	4,467	100.00%	4,467	100.00%
Workers										
Male	5,287	5,287	100.00%	5,287	100.00%	5,802	5,802	100.00%	5,802	100.00%
Female	34	34	100.00%	34	100.00%	6	6	100.00%	6	100.00%
Total	5,321	5,321	100.00%	5,321	100.00%	5,808	5,808	100.00%	5,808	100.00%

9. **Details of performance and career development reviews of employees and workers:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	4588	4588	100.00%	4,413	4,413	100.00%
Female	55	55	100.00%	54	54	100.00%
Total	**4643**	**4643**	**100.00%**	**4,467**	**4,467**	**100.00%**
Workers						
Male	5,287	5,287	100.00%	5,802	5,802	100.00%
Female	34	34	100.00%	6	6	100.00%
Total	**5,321**	**5,321**	**100.00%**	**5,808**	**5,808**	**100.00%**

10. **Health and Safety Management System:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Safety is Power Mech's foremost core value; therefore, managing health and safety risks to the lowest possible level is integral to the way Power Mech does business. Therefore, Power Mech has implemented a comprehensive health and safety management system, where a strong focus is put on ensuring a secure and safe working environment. The Entity has obtained ISO 45001 and ISO 14001 certifications, affirming its compliance with international standards related to occupational health, employee well-being, and environmental stewardship. These accreditations underscore Power Mech's unwavering commitment to protecting its workforce while fostering sustainable practices throughout its operations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Power Mech has adopted a systematic approach to identify work-related hazards and assesses risks associated with both routine and non-routine tasks:

1. **Routine Tasks:** The utilization of regular safety audits, Job Safety Analysis (JSA), and employee training is done to identify and mitigate hazards linked to routine operations.

2. **Non-Routine Tasks:** The implementation of pre-task risk assessments, structured change management protocols, and specialized training is done to address the distinct hazards associated with non-routine activities.

3. **Incident Investigation and Analysis:** This critical process involves the identification of the root causes of incidents and analysing near misses, thereby facilitating continuous improvement in safety practices.

c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

Power Mech ensures employee safety through the implementation of Safe Operating Procedures (SOPs), regular Toolbox Talks, and job-specific training. These initiatives establish clear safety guidelines, promote proactive risk management, and equip employees with the necessary competencies to perform their duties safely. In addition to this, the Permit-to-Work system authorizes high-risk activities, which ensures that all necessary precautions are in place. A Suggestion/Complaint Box is also made available, enabling employees to confidentially report hazards, share safety related suggestions, and raise concerns.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Power Mech places a strong emphasis on employee health by conducting regular medical check-ups at both work sites and the corporate office. This proactive approach facilitates early detection and timely intervention of potential health concerns, thereby supporting a safe, healthy, and productive workforce.

11. **Details of safety related incidents, in the following format:**

Safety Incident /Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	2
	Workers	0	5
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Power Mech is committed to fostering a safe and healthy work environment through a comprehensive safety management approach. The key measures include:

- Comprehensive Training Programs and Toolbox Meetings: The employees are kept well-informed about safety protocols, risk mitigation strategies, and industry best practices through the organisation of regular training sessions and toolbox meetings.
- Rigorous Supervision: Continuous and close supervision is maintained to ensure strict adherence to safety procedures, offering guidance and implementing immediate corrective actions when necessary.
- Implementation of Robust Safety Standards: The industry-leading safety standards across all operational sites are enforced by the Entity, with ongoing updates to address emerging safety challenges and regulatory developments.
- Provision and Enforcement of Personal Protective Equipment (PPE): All employees are provided with appropriate PPE, and its use is strictly enforced. Regular training is also conducted to ensure proper usage and handling, thereby maximizing workplace safety.

13. **Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	No Complaints					
Health & Safety						

14. **Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00%
Working Conditions	100.00%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

No such incidents

4 Principle

Business should respect the interests of and be responsive to all its stakeholders

Essential Indicators:

1. **Describe the processes for identifying key stakeholder groups of the entity.**

The Entity has instituted a Stakeholder Engagement Framework to guide the identification of stakeholders. The stakeholder identification process considers the following dimensions, aligned with this framework:

Dependency: The individuals or groups who are directly or indirectly reliant on the organisation's activities, products, services, and overall performance, or on whom the organisation depends to carry out its operations.

Responsibility: The individuals or groups to whom the organisation currently holds, or may in the future hold, legal, commercial, operational, or ethical/moral responsibilities.

Attention: The individuals or groups who require immediate attention from the organisation regarding financial matters or broader economic, social, or environmental concerns.

Influence: The individuals or groups which are capable of affecting the organisation's or its stakeholders' strategic or operational decision-making.

Diverse Perspectives: The individuals or groups whose differing viewpoints can contribute to a deeper understanding of situations and help identify innovative opportunities for action that might otherwise be overlooked.

2. **List stakeholder groups identified as key for the entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, Shareholder meets, Email, Stock Exchange (SE) intimations, Investor/ analysts meet/conference calls, Annual report, quarterly results, media releases and Entity's website	Quarterly/ annually and whenever required	Evaluate financial performance and stability for potential growth.
Employee and Workers	No	Personalised learning and development programmes. Regular performance review and feedback. One-on-one engagement, townhall meetings. Employee engagement surveys, Programmes catered around overall wellbeing, Intranet Portal, Casual interaction and daily games post lunch, Emails, Notice Board, Meetings	Daily	An empowered and engaged workforce is crucial for achieving business targets and serves as a key driver of business success. Satisfied and motivated employees exhibit higher productivity, contributing significantly to the organization's overall performance. Securing the right talent provides a competitive advantage, while career management and growth prospects are essential for employee retention and development. Additionally, fostering a positive work culture, along with a strong emphasis on health and safety, plays a vital role in ensuring employee well-being and enhancing organizational effectiveness.
Government and Regulators	No	E-mails and letters, Conferences, Industry forums, Regulatory filings, Meetings with officials, Representation	On periodical basis as provided under relevant legislations	In relation to Compliances with applicable laws, Industry concerns, changes in regulatory frameworks, skill and capacity building, employment.
Community	No	Collaboration with non-governmental organisations (NGOs), Field visits, CSR and sustainability initiatives, Skill development, One-on-one interactions	Need basis	Develop and implement sustainable CSR initiatives related to water and natural Resource management, community development, education/ skill development, and livelihood support.
Board of Directors	No	Board Meetings, Committee Meetings, Briefings, and Informal Updates.	On regular basis	To review the Entity's current business operations, planning and strategies, and identify opportunities for improvement.
Local Communities	No	Meetings and briefings, Partnership in community, Training and Workshops, Impact Assessments, social media	Need basis	Need assessment for CSR, Reviews and Addressing Grievances, community development, education/ skill development, and livelihood support.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Contractor	No	Email, Telephone, Interactive Meetings	On Periodical basis	To ensure that project remains on focus desired results and to make meaningful contribution to avoid the projects being derailed
Bankers	No	Periodical Meetings, Periodical Reports, Emails	Requirement basis	To understand the banking compliance, maintaining rapport with our bankers, and banking/credit facilities
Suppliers	No	Emails, Supplier portals, Collaborative platforms, Supplier forums, Periodic face-to-face meetings	As and when required	To gather feedback and input from suppliers regarding their experiences, challenges, and suggestions for improvement

5 Principle

Business should respect and promote human rights

Essential Indicators:

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	4,643	4,643	100.00%	4,296	4,296	100.00%
Other than Permanent	0	0	0.00%	171	171	100.00%
Total Employees	**4,643**	**4,643**	**100.00%**	**4,467**	**4,467**	**100.00%**
Workers						
Permanent	5,321	5,321	100.00%	4,967	4,967	100.00%
Other than Permanent	0	0	0.00%	841	841	100.00%
Total Workers	**5,321**	**5,321**	**100.00%**	**5,808**	**5,808**	**100.00%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	4588	4588	100%	0	0%	4,242	0	0%	4,242	100.00%
Female	55	55	100%	0	0%	54	0	0%	54	100.00%
Other than Permanent										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Workers										
Permanent										
Male	5287	5287	100%	0	0	4,963	0	0	4,963	100.00%
Female	34	34	100%	0	0	4	0	0	4	100.00%
Other than Permanent										
Male	0	0	0%	0	0%	839	0	0	839	100.00%
Female	0	0	0%	0	0%	2	0	0	2	100.00%

3. Details of remuneration/salary/wages, in the following format:

a. The details are provided below:

	Male		Male	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	6	9,27,69,677	2	0
Key Managerial Personnel	2	63,85,307	0	0
Employees other than BoD and KMP	4,585	5,84,124	55	3,93,048
Workers	5,287	2,92,495.2	34	2,02,680

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	0.48%	0.55%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The responsibility for overseeing the entire human resource function lies with the Head of the Human Resources Department. In addition to this, the Executive Directors hold accountability for addressing any human rights issues that may arise from or be contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The internal stakeholders of the business, including employees and contractual support staff are provided with access to a redressal channel to address any concerns or complaints that they may have. This is outlined in the Human Rights Policy. The Entity proactively works to prevent violations from occurring through regular training and awareness programs on human rights issues for the stakeholders. The objective of the policy is to establish a clear, accessible, and secure process for employees to report any incidents of discrimination, harassment, or other human rights violations in the workplace. The grievance mechanism is effectively communicated to all employees to ensure they are well-informed about the reporting process and their rights to raise any concerns. The Entity has also implemented a comprehensive and clear policy that defines sexual harassment, outlines unacceptable behaviours, and provides detailed guidance on reporting procedures.

6. Number of Complaints on the following made by employees and workers:

The details are provided below:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL		NIL	NIL	-
Discrimination at workplace	NIL	NIL		NIL	NIL	-
Child Labour	NIL	NIL		NIL	NIL	-
Forced Labour/Involuntary Labour	NIL	NIL		NIL	NIL	-
Wages	NIL	NIL		NIL	NIL	-
Other Human rights related issues	NIL	NIL		NIL	NIL	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
i) Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
ii) Complaints on POSH as a % of female employees/workers	NIL	NIL
iii) Complaints on POSH upheld	Nil	NIL

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Entity has instituted a comprehensive mechanism that includes various policies, procedures, and guidelines to prevent harassment in the workplace. This mechanism features a Code of Conduct that clearly outlines the expectations of the Entity for appropriate workplace behaviour and provides guidance on identifying and addressing harassment. A confidential reporting system has also been implemented, which enables employees to report any incidents of harassment without fear of retaliation. All reports are thoroughly investigated, and corrective actions are taken when necessary. Furthermore, regular training for all employees to equip them with the knowledge and skills to identify and prevent harassment in the workplace are conducted by the Entity. The Entity performs regular audits and assessments of its workplace culture and practices to ensure compliance with its harassment prevention policies. These evaluations help identify areas for improvement and ensure that proactive and necessary steps are being taken to prevent harassment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The Entity integrates human rights considerations into its supplier, dealer, and vendor on-boarding processes. There is a fundamental requirement of having compliance with applicable laws, labour standards, and environmental regulations, which reinforces a culture of ethics and integrity. The business agreements include specific clauses mandating ethical recruitment practices and explicitly prohibiting forced labour and human trafficking. They also require respect for the land, forest, and water rights of local communities and indigenous peoples. The suppliers are encouraged to build diverse workforces and ensure equal opportunities irrespective of race, gender, or ethnicity, to promote diversity and inclusion. In addition to this, the onboarding process includes provisions to uphold fair wages, reasonable working hours, and safe working conditions.

10. Assessment for the year:

	% of the entity's plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child Labour	100.00%
Forced Labour/Involuntary Labour	100.00%
Sexual Harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%
Other- please specify	-

11. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

A strong commitment to human rights by the Entity maintains through a structured framework that addresses risks such as child labour, forced labour, discrimination, and fair wages. Enhanced due diligence and regular training ensure compliance across operations. If any violations are identified, they are addressed promptly through corrective actions. No significant risks were reported during internal assessments or customer audits.

6 Principle

Business should respect and make efforts to protect and restore the environment.

Essential Indicators:

1. **Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	433.55	273.36
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	433.55	273.36
From non-renewable sources		
Total electricity consumption (D)	23.48	21.23
Total fuel consumption (E)	8,438.15	6,711.70
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	8,461.63	6,732.93
Total energy consumed (A+B+C+D+E+F)	**8,895.18**	7,006.28
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.00000019	0.00000016
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	0.0000038	0.0000033
Energy intensity in terms of physical output	0	0
Energy intensity (optional) – the relevant metric may be selected by the entity	0	0
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No	No

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the Entity has not identified any sites/facilities as Designated Consumers (DCs) under the PAT scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-2026	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	12,807.45	10,501.13
(iii) Third party water	0	0
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**12,807.45**	10,501.13
Total volume of water consumption (in kilolitres)	12,807.45	10,501.13

Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	0.00000027	0.00000024
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	0.0000052	0.0000049
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No	No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
– No treatment	0	0
– With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
– No treatment	0	0
– With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
– No treatment	0	0
– With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
– No treatment	0	0
– With treatment – please specify level of treatment	0	0
(v) Others	0	0
– No treatment	0	0
– With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	0	0
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No	No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The execution of EPC and civil construction by the Entity is done primarily at site level. On the basis of client requirements, the Installation of Zero Liquid Discharge (ZLD) systems is undertaken. At the corporate level, ZLD infrastructure is not mandated, and therefore not maintained.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
NO_x	Not Applicable		
SO_x			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

7. **Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	MT of CO_2 Equivalent	586.38	The Entity had not conducted an emissions assessment for the current year. However, it plans to initiate the calculation and monitoring of emissions in the upcoming years as part of its evolving sustainability strategy.
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	MT of CO_2 Equivalent	4.63	
Total Scope 1 and Scope 2 emission intensity per rupee of turnove (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	MT of CO_2 Equivalent / Rs. in Crore	0.13	
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	MT of CO_2 Equivalent / USD in Crore	2.54	
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	
Note: Indicate if any independent assessment/evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	-	No	

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Given the nature of Power Mech's business activities, the Entity does not generate significant greenhouse gas emissions. At present, there are no specific initiatives or projects aimed at reducing these emissions.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		The Entity primarily generates construction and demolition waste, which is managed by contractors in compliance with applicable legal disposal requirements. While waste volumes are not currently tracked, the Entity remains committed to responsible waste handling and environmentally sound disposal practices.
Plastic waste **(A)**	0	
E-waste **(B)**	0.52	
Bio-medical waste **(C)**	0	
Construction and demolition waste **(D)**	0	
Battery waste **(E)**	0	
Radioactive waste **(F)**	0	
Other Hazardous waste. Please specify, if any. **(G)**	0	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	
Total (A + B + C + D + E + F + G + H)	**0.52**	
Parameter		
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	$11*10^{-12}$	0
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	$223.74*10^{-12}$	0
Waste intensity in terms of physical output	0	0
Waste intensity (optional) – the relevant metric may be selected by the entity	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0.52	NA
(ii) Re-used	0	
(iii) Other recovery operations	0	
Total	**0.52**	

Parameter	FY 2025-26	FY 2024-25
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	NA
(ii) Landfilling	0	
(iii) Other disposal operations	0	
Total	**0**	
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No	No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Entity to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Power Mech Projects Limited has implemented a comprehensive waste management framework to ensure the safe handling, storage, transportation, recycling, and disposal of both hazardous and non-hazardous wastes generated during its construction and project activities. Waste is segregated at source to maximize recycling and ensure environmentally responsible disposal through authorized waste management facilities. Non-hazardous waste such as construction debris, recyclable materials, metal scrap, plastic waste, tyres, insulated cables, and packaging materials is collected separately, stored in designated areas, and either reused, recycled, or disposed of through approved channels.

Hazardous wastes are managed in accordance with established procedures that require storage in tightly sealed, leak-proof, and compatible containers, with clear hazard identification and labeling. Incompatible hazardous wastes are stored separately, while handling and storage activities are undertaken only by trained and qualified personnel. Material Safety Data Sheets (MSDS) are maintained and made readily available at locations where hazardous chemicals are used to ensure safe handling, emergency response, and regulatory compliance.

The Company's strategy to reduce the use of hazardous and toxic chemicals focuses on waste minimization and pollution prevention by:

- Minimizing the use of toxic substances wherever operationally feasible.
- Implementing source reduction practices to reduce waste generation.
- Promoting reuse and recycling of materials.
- Reducing packaging waste across project sites.
- Ensuring proper storage, labeling, and handling of hazardous materials to prevent spills, contamination, and accidental exposure.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Power Mech does not have any operations/offices in/around ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable, Environmental impact assessment of projects were not required to be undertaken by Power Mech during the current financial year.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, Power Mech is compliant with the applicable environmental law/regulations/guidelines in India.				

7 Principle

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators:

1. a. Number of affiliations with trade and industry chambers/associations.

- 1

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	The Federation of Telangana Chambers of Commerce	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
Not Applicable, the Entity has not engaged in any anti-competitive conduct.		

8 Principle

Businesses should promote inclusive growth and equitable development.

Essential Indicators:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
This section is not applicable to Power Mech as there were no projects that required SIA to be undertaken under Law.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
This section is not applicable to Power Mech as there were no projects that required SIA to be undertaken under Law.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The local employees engage with community members through a mechanism instituted by the Entity, to be able to identify and address the concerns of the community. This has ensured open communication, and allowed community members to directly raise issues and receive timely support.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-2026	FY 2024-2025
Directly sourced from MSMEs/small producers	8%	32.00%
Directly from within India	100%	100.00%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025-26	FY 2024-25
Rural % of Job creation in Rural areas **Semi-urban** % of Job creation in Semi-urban areas **Urban** % of Job creation in Urban areas **Metropolitan** % of Job creation in Metropolitan areas	The Entity currently does not maintain a geographical wage classification system and hence is unable to provide location-wise wage data. As operations span across multiple regions without segmented tracking, computing such percentages is not feasible at present. Given the highly mobile and project-centric nature of the Company's workforce across various remote, semi-urban, and urban sites, a static geographical wage classification is not currently maintained. The Company is enhancing its HRMS capabilities to accurately capture and map this demographic data for future reporting.	
(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)		

9 Principle

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators:

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Power Mech utilizes a structured grievance redressal mechanism designed to handle consumer feedback with agility and care. A dedicated team of trained professionals oversees the end-to-end resolution of all complaints. By maintaining open lines of communication and providing consistent progress reports, we ensure every issue is addressed transparently. Our ultimate goal is to resolve concerns amicably and uphold the highest standards of customer satisfaction.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	None	0	0	None
Advertising	0	0	None	0	0	None
Cyber-security	0	0	None	0	0	None
Delivery of essential services	0	0	None	0	0	None
Restrictive Trade Practices	0	0	None	0	0	None
Unfair Trade Practices	0	0	None	0	0	None
Other	0	0	None	0	0	None

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

A comprehensive framework which manages cybersecurity and data privacy risks has been administered by the Entity. The policy measures that fall under the framework are access control, virus prevention, intrusion detection, data backups, authentication, and continuous monitoring. The data protection protocols based on classification and safeguards for organizational information systems has also been outlined in the policy, which is accessible to employees via the Entity's intranet.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

This section is not applicable to the Entity, as there have been no reported incidents of such issues to date.

7. **Provide the following information relating to data breaches:**

	Provide the following information relating to data breaches:
a. Number of instances of data breaches	0
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	NA

Power Mech Projects Limited
Corporate Identification No (CIN) - L74140TG1999PLC032156
Regd. Office: Plot No.77, Jubilee Enclave, Opp: Hitex, Madhapur., Hyderabad, Telangana, India, 500081.
Tel.: +91 40 30444444 Fax: +91 40 30444400
Email id: cs@powermech.net Website: https://powermechprojects.com/

NOTICE

Notice is hereby given that the 27th Annual General Meeting (AGM) of the members of Power Mech Projects Limited ("the Company") will be held on September 17, 2026, at 9:30 a.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

Item No.1: Adoption of financial statements:

To receive, consider, approve and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2026, and the Reports of the Board and Auditors thereon and in this regard, pass the following resolution as **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Section 134 and other applicable provisions of the Companies Act, 2013, and rules made thereunder the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2026, and the reports of the Board of Directors and auditors thereon be and are hereby received, considered, approved and adopted."

Item No.2: Declaration of dividend on the equity shares:

To declare Dividend on equity shares for the financial year ended March 31, 2026, and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** dividend at the rate of 15% i.e. ₹1.50 (One rupee and fifty paise only) per equity share of ₹10/- (ten rupees) each for the financial year ended March 31, 2026, be and is hereby approved and declared."

Item No.3: Re-appointment of a director:

To appoint a director in place of Mr. M. Rajiv Kumar, who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. M. Rajiv Kumar (DIN:07336483), who retires by rotation at the annual general meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

Item No.4: Appointment of Mrs. Vasundhara Sinha (DIN: 11566123) as independent director of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **special resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, read with Schedule IV of the Act and Regulation 17, 25 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee of the Board, Mrs. Vasundhara Sinha (DIN: 11566123) who was co-opted as an additional director (Non-executive and Independent) of the Company by the Board of directors on June 20, 2026, and who holds office up to the date of this annual general meeting of the Company in terms of Section 161(1) of the Act and Article 44 of the Articles of Association of the Company and having submitted a declaration confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 2 (two) consecutive years commencing from June 20, 2026."

Item No.5: Approval for formulation, adoption, and implementation of "Power Mech Projects Limited -Employee Stock Option Plan -2026" ("PMPL ESOP -2026"/ "Plan") for grant of employee stock options to the employees of the Company under this Plan:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") read with rules thereunder, applicable provisions of the Securities and Exchange Board of India (Share

Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Regulations"), applicable provisions of the Foreign Exchange Management Act, 1999, as amended or restated and rules, circulars, notifications, regulations and guidelines issued thereunder ("FEMA"), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any amendments, modifications or re-enactments thereof for the time being in force), in accordance with provisions of the memorandum and articles of association of the Company, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Securities and Exchange Board of India ("SEBI"), Stock Exchanges and/ or any other competent authority including any amendments, modifications or re-enactments thereof for the time being in force, subject to any applicable approval(s), consent(s), permission(s) and sanction(s) of any competent authority(ies) and also any condition(s) and modification(s) as may be prescribed or imposed by such authority(ies) while granting such approval(s), consent(s), permission(s) and sanction(s), the approval of the shareholders of the Company be and is hereby accorded to introduce, create, approve, adopt and implement Power Mech Projects Limited -Employee Stock Option Plan -2026' ("PMPL ESOP -2026"/ "Plan") through direct route, the salient features of which are furnished in the explanatory statement to this Notice and to authorize the Nomination and Remuneration Committee and the Board of Directors of the Company to exercise its powers, including the powers conferred by this resolution to create, issue, offer, grant and allot up to 10,00,000 (Ten Lakh) employee stock options ("Options") from time to time for the benefit of the employees (present or future) of the Company, whether working in India or outside India, as may be decided by the Nomination and Remuneration Committee/ Compensation Committee and/ or the Board of Directors as permitted under the Regulations, exercisable into equivalent number i.e. 10,00,000 (Ten Lakh) equity shares of the Company having face value of ₹10/- (Rupee Ten) each ("Equity Share(s)") under the plan, at such price or prices, on such terms and conditions as may be decided by the Nomination and Remuneration Committee/ Compensation Committee and/or the Board of Directors in accordance with the provisions of plan and in compliance of the Regulations and applicable laws.

RESOLVED FURTHER THAT the Board of Directors/ the Nomination and Remuneration Committee/ Compensation Committee be and are hereby authorized to offer, issue and allot Equity Shares upon exercise of Options from time to time in accordance with the Plan and such Equity Shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board of Directors/ the Nomination and Remuneration Committee/ Compensation Committee be and are hereby authorized to take requisite steps for listing of the equity shares allotted under the plan on the Stock Exchanges where the equity shares of the Company are listed in due compliance with the Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, merger/ demerger, sale of division/undertaking etc., if any, Options will be adjusted accordingly to the Options grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier/to be granted, and the Nomination and Remuneration Committee/ Compensation Committee and/or the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the plan are passed on to the employees of the Company and the above ceiling in terms of number of equity shares/stock options shall be deemed to be increased in proportion to the additional equity shares issued in the event of aforesaid corporate action(s).

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be issued by the Company and the price of acquisition payable by the Options grantees under the plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Options grantees, and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Compensation Committee ("Committee") and/or the Board and/or any person as authorized by the Board or the Committee be and are hereby severally authorized to approve the grant letter and other related documents, to grant Options to the employees of the Company (including deciding the number of Options to be granted), to allot Equity Shares upon exercise of Options by the employees/option grantee of the Company, to make any modifications/ changes/ variations/ alterations/ revisions in the plan or suspend/ withdraw/ revive the plan from time to time subject to compliance of applicable laws, unless such change is detrimental to the interest of the employees of the Company.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Compensation Committee and/or the Board and/ or any person as authorized by the Board, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to the implementation, administration and evolution of the plan, for compliance with the Regulations and other applicable laws and to give effect to the resolution."

Item No.6: Approval for formulation, adoption and implementation of Power Mech Projects Limited -Employee Stock Option Plan -2026' ("PMPL ESOP -2026"/ "Plan") for grant of employee stock options to the employees of any Subsidiary of the Company under this Plan:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") read with rules thereunder, applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Regulations"), applicable provisions of the Foreign Exchange Management Act, 1999, as amended or restated and rules, circulars, notifications, regulations and guidelines issued thereunder ("FEMA"), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any amendments, modifications or re-enactments thereof for the time being in force), in accordance with provisions of the memorandum and articles of association of the Company, as amended, and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Securities and Exchange Board of India ("SEBI"), Stock Exchanges and/ or any other competent authority including any amendments, modifications or re-enactments thereof for the time being in force, subject to any applicable approval(s), consent(s), permission(s) and sanction(s) of any competent authority(ies) and also any condition(s) and modification(s) as may be prescribed or imposed by such authority(ies) while granting such approval(s), consent(s), permission(s) and sanction(s), the approval of the shareholders of the Company be and is hereby accorded to introduce, create, approve, adopt and implement Power Mech Projects Limited -Employee Stock Option Plan -2026' ("PMPL ESOP -2026"/ "Plan") through direct route, the salient features of which are furnished in the explanatory statement to this Notice and to authorize the Nomination and Remuneration Committee/ Compensation Committee and the Board of Directors of the Company to exercise its powers, including the powers conferred by this resolution to create, issue, offer, grant and allot up to 2,00,000 (Two Lakh) employee stock options ("Options") out of the total 10,00,000 (Ten Lakh) employee stock options ("Options") of the PMPL ESOP -2026 from time to time for the benefit of the employees (present or future) of any Subsidiary of the Company, whether working in India or outside India, as may be decided by the Nomination and Remuneration Committee/ Compensation Committee and/ or the Board of Directors as permitted under the Regulations, exercisable into equivalent number i.e., 2,00,000 (Two Lakh) equity shares of the Company having face value of ₹10/- (Rupee Ten) each ("Equity Share(s)") under the plan, at such price or prices, on such terms and conditions as may be decided by the Nomination and Remuneration Committee/ Compensation Committee and/ or the Board of Directors in accordance with the provisions of plan and in compliance of the Regulations and applicable laws.

RESOLVED FURTHER THAT the Board of Directors/ the Nomination and Remuneration Committee/ Compensation Committee be and are hereby authorized to offer, issue and allot Equity Shares upon exercise of Options from time to time in accordance with the Plan and such Equity Shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board of Directors/ the Nomination and Remuneration Committee/ Compensation Committee be and are hereby authorized to take requisite steps for listing of the equity shares allotted under the plan on the Stock Exchanges where the equity shares of the Company are listed in due compliance with the Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, merger/ demerger, sale of division/undertaking etc., if any, Options will be adjusted accordingly to the Options grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier/to be granted, and the Nomination and Remuneration Committee/ Compensation Committee and/or the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the plan are passed on to the employees of any Subsidiary of the Company and the above ceiling in terms of number of equity shares/stock options shall be deemed to be increased in proportion to the additional equity shares issued in the event of aforesaid corporate action(s).

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be issued by the Company and the price of acquisition payable by the Options grantees under the plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Options grantees, and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Compensation Committee ("Committee") and/or the Board and/or any person as authorized by the Board or the Committee be and are hereby severally authorized to approve the grant letter and other related documents, to grant Options to the employees of Subsidiary of the Company (including deciding the number of Options to be granted), to allot Equity Shares upon exercise of Options by the employees/option grantee of the Company, to make any modifications/ changes/ variations/ alterations/ revisions in the plan or suspend/ withdraw/ revive the plan from time to time subject to compliance of applicable laws, unless such change is detrimental to the interest of the employees of Subsidiary of the Company.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Compensation Committee and/or the Board and/ or any person as authorized by the Board, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to the implementation, administration and evolution of the plan, for compliance with the Regulations and other applicable laws and to give effect to the resolution."

Item No.7: Ratification of remuneration payable to Cost Auditors for the financial year 2026-27:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ₹1,25,000/- (rupees one lakh twenty-five thousand only) plus out of pocket expenses and applicable taxes thereon, payable to M/s. M P R & Associates, Cost Accountants (Firm Reg No: 000413) Hyderabad, who have been appointed by the Board of Directors on the recommendation of the Audit Committee of Directors as the Cost Auditors of the Company to conduct the audit of cost records being maintained by the Company in respect of the Company's products for the financial year 2026-27."

Item No.8: Payment of remuneration to Mr. M. Rajiv Kumar (DIN: 07336483), Non-Executive Director by way of consultancy fees:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules, regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to pay an amount of ₹3,80,000/- per month (excluding GST) and reimbursement of out of pocket expenses towards remuneration to Mr. M. Rajiv Kumar (DIN: 07336483), Non-Executive Director for the FY 2026-27 by way of consultancy fees."

Item No.9: Commission payable to Independent Directors:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 197, 198, and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder, and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to such other approvals as may be required, the consent of the members of the Company be and is hereby accorded for the payment of remuneration by way of commission to all existing and future Independent Directors of the Company up to a maximum of ₹ 10 Lakhs per Independent Director per financial year, for a period of five (5) years commencing from the Financial Year 2025-26, provided that the total remuneration payable to all Non-Executive Directors (including Independent Directors) shall not exceed 1% of the net profits of the Company in any financial year, computed in the manner provided under Section 198 of the Companies Act, 2013

RESOLVED FURTHER THAT the Independent Directors shall, in addition to the commission payable as aforesaid, be entitled to receive sitting fees and reimbursement of expenses for attending the meetings of the Board or Committees thereof, within the maximum limits specified under the Companies Act, 2013 and the rules made thereunder, as may be determined by the Board of Directors from time to time."

By Order of the Board

For Power Mech Projects Limited

M. Raghavendra Prasad
Company Secretary and Compliance Officer
M. no.: A41798

Date: August 8, 2026
Place: Hyderabad

NOTES:

1. The explanatory statement in respect of the special business in the notice, pursuant to Section 102 of the Companies Act, 2013, is annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") has vide its general circular dated May 5, 2020 read with general circulars dated May 5, 2022 April 8, 2020, December 28, 2022, September 25, 2023, and September 19, 2024 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the Listing Regulations. In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 26th AGM of the Company is being conducted through VC/OAVM facility, without the physical presence of Members at a common venue. Accordingly, the deemed venue for the 26th AGM shall be the Registered Office of the Company and since the AGM will be held through VC / OAVM, the route map is not annexed in this notice.

3. National Securities Depository Limited will provide the facility for voting through remote e-voting, for participation in the 27th AGM through VC/OAVM and e-voting during the AGM.

4. Pursuant to MCA and SEBI Circulars the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

5. The register of members and share transfer books will remain closed from Saturday, September 12, 2026, to Thursday, September 17, 2026 (both days inclusive) in connection with the AGM and Dividend.

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The facility of participation in the AGM through VC/OAVM will be made available for 2,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the audit committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. In compliance with the MCA and SEBI Circulars notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members may note that the notice and Annual Report 2025-26 will also be available on the Company's website at https://powermechprojects.com/annual-reports/ and websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited.

8. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Venture Capital and Corporate Investments Private Limited ("VCCIPL") for assistance in this regard.

9. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.

DIVIDEND RELATED INFORMATION:

10. The Company has fixed September 10, 2026, as the "Record Date" for the purpose of AGM and for determining entitlement of Members to dividend for the financial year ended March 31, 2026.

11. The Board has recommended the final dividend of ₹1.50 per equity share of ₹10/- each if declared at the meeting, will be paid to those members whose names appear in the Company's register of members after effecting valid transfers received upto the close of business hours on September 10, 2026, subject to deduction of tax at source pursuant to Finance Act, 2020. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details provided as at the close of business hours on September 10, 2026, by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited ("CDSL") for this purpose. The dividend on equity shares, if declared at the meeting, will be credited/ dispatched within one month from the date of this meeting.

12. Members are requested to note that, pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the members of the Company w.e.f. April 1, 2020, and the Company is required to deduct tax at source ("TDS") on dividend to be paid to the members at rates prescribed in the Income Tax Act, 1961. No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹ 10,000/-

13. Dividend in case of Non-KYC compliant Folios:

    Shareholders are requested to note that pursuant to the SEBI circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) were not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number: Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024.

Shareholders are requested to update the KYC details by submitting the relevant ISR forms duly filled in along with self-attested supporting proofs. The forms can be downloaded from the website of the RTA.

14. Members whose shareholding is in electronic mode are requested to notify any change in address or bank account details to their respective depository participant(s) (DP). Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time and to promote green initiative, members who have not registered their email addresses are requested to register the same with their Depository Participants, in case the shares are held by them in electronic form and with VCCIPL, in case the shares are held by them in physical form.

15. Members holding shares in physical mode are:

    a. required to submit their Permanent Account Number (PAN) and bank account details to the Company / VCCIPL, if not registered with the Company / VCCIPL, as mandated by the SEBI by writing to the Company at cs@powermech.net or to VCCIPL at info@vccilindia.com along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.

    b. advised to register nomination in respect of their shareholding in the Company.

16. Members holding shares in electronic mode are:

    a. requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with whom they are maintaining their demat accounts.

    b. advised to contact their respective DPs for registering nomination.

17. Non-Resident Indian members are requested to inform VCCIPL / respective DPs, immediately for:

    a. Change in their residential status on return to India for permanent settlement.

    b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. Members are requested to address all correspondence, including on dividends, to the Registrar and Share Transfer Agents, Venture Capital and Corporate Investment Private Limited, Unit: Power Mech Projects Limited, "AURUM", Door No. 4-50/P-II/57/4F & 5F, Plot No. 57, 4th & 5th Floors, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad – 500 032.

IEPF RELATED INFORMATION:

19. The unclaimed equity dividend for the year ended March 31, 2019, will be transferred in the month of November 2026, to the "Investor Education and Protection Fund (IEPF)" on expiry of 7 years from the date of transfer to the Unpaid Dividend Account, pursuant to Section 124 of the Companies Act, 2013 (Section 205A of the Companies Act, 1956). Members who have not encashed their dividend warrants for the said financial year or subsequent year(s) are requested to send the same to the Company or its Registrars and Share Transfer Agents ("RTA") for issue of fresh demand drafts.

20. Pursuant to provisions of Section 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amended Rules, 2017 ("the IEPF Rules"), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) upto and including the financial year 2017-18 were transferred by the Company in the name of IEPF from time to time as prescribed by the Act and rules made thereunder and the statement containing such details as may be prescribed is placed on Company's website: https://powermechprojects.com/unpaid-unclaimed-dividend/

VOTING RESULTS:

21. The Board of Directors has appointed Mr. D. S. Rao, Practicing Company Secretary as the 'Scrutinizer' to scrutinize the remote e-voting process and voting during the AGM in a fair and transparent manner.

22. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by him after completion of scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, RTA, and will also be displayed on the Company's website, https://powermechprojects.com/

OTHER INFORMATION:

23. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled-in to VCCIPL. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.

24. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrars and Share Transfer Agents enclosing their share certificates to enable consolidation of their shareholdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.

25. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number (PAN) either at the time of opening of the account or subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details.

26. The Company is in compliance with the SEBI circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated August 11, 2023, read with other relevant circulars regarding Online Dispute Resolution ("ODR") and the web-link for the same is made available on the website of the Company at https://powermechprojects.com/investor-relations/

27. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 14, 2026, through email to cs@powermech.net. The same will be replied by the Company suitably.

28. Members at 25th AGM held on September 27, 2024, approved the appointment of M/s. Brahmayya & Co, Chartered Accountants (Firm Registration No. 000513S), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of 25th AGM till the conclusion of the 30th AGM.

29. Additional information pursuant to Regulation 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on general meetings in respect of the Directors seeking appointment/re-appointment at the annual general meeting is furnished in Annexure - A and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.

30. Retirement of Directors by rotation:

    Mr. M. Rajiv Kumar, Director of the Company, retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

    The Board of directors commends the re-appointment of Mr. M. Rajiv Kumar as a Director, liable to retire by rotation.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, September 13, 2026 at 9:00 a.m. (IST) and ends on Wednesday, September 16, 2026 at 05:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of members / beneficial owners as on the record date (cut-off date) i.e., September 10, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 10, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a

.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Click on the "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rao_ds7@yahoo.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Swapneel Puppala at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@powermech.net

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@powermech.net. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining**

virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@powermech.net. The Company will reply to the same suitably.

6. Shareholders, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by sending a mail mentioning their name, folio no./client id/ DP id cs@powermech.net during the period starting from Friday, September 11, 2026 (9:00 a.m.) to Tuesday, September 15, 2026 (5:00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Only questions of the members holding shares as on the cut-off date will be considered.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with the Rules made thereunder.

Item No.4: Appointment of Mrs. Vasundhara Sinha (DIN: 11566123) as Independent director of the Company:

Based on the recommendation of the Nomination and Remuneration Committee, the Board co-opted Mrs. Vasundhara Sinha (DIN: 11566123) as Additional Director (Non-executive and Independent) of the Company effective from June 20, 2026, subject to the approval of the shareholders. In this regard, the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013.

Pursuant to the Regulation 17(1C), 25 of the Listing Regulations, the approval of Members is sought for the appointment of Mrs. Vasundhara Sinha as Independent Director of the Company w.e.f. June 20, 2026. She has given her declaration to the Board, inter alia, that she (i) meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as Director. In the opinion of the Board, Mrs. Vasundhara Sinha is a person of integrity, possesses relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director, and she is independent of the management.

Mrs. Vasundhara Sinha is a retired Indian Revenue Service (IRS) officer, bringing with her an illustrious career in public administration and a wealth of experience in high-level financial oversight. She possesses profound expertise across fiscal planning, strategic development, risk management, corporate governance, and regulatory compliance. Her distinguished background in tax administration, statutory enforcement, and public policy positions her exceptionally well to strengthen the Board's oversight capabilities and provide invaluable strategic and independent insights. Given her vast expertise, the Board considers her appointment as an Independent Director to be in the best interest of the Company. The details as required under Regulation 36 of the Listing Regulations and pursuant to Secretarial Standards on general meetings is furnished in Annexure-A to this notice.

The terms and conditions of appointment of the independent directors of the Company is open for inspection by the Members in electronic form during the Annual General Meeting and can be viewed on the Company's website at https://powermechprojects.com/codes-policies/

Except for Mrs. Vasundhara Sinha and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the notice for approval by the members.

Brief profile of Mrs. Vasundhara Sinha:

Professional Overview: Ms. Vasundhara Sinha is a distinguished 1988-batch officer of the Indian Revenue Service (IRS) who retired as the Principal Chief Commissioner of Income Tax. With a robust career spanning several decades, she brings exceptional administrative, financial, and regulatory expertise to the Board.

Leadership & Administrative Experience: Throughout her extensive career, Ms. Sinha has served in various pivotal capacities across major commercial and administrative hubs, including New Delhi, Mumbai, Nagpur, Telangana, Andhra Pradesh, Odisha, and Bihar. Notably, she held the highly critical role of Director General of Income Tax (Investigation), where she successfully oversaw complex regulatory and investigative operations across three states: Telangana, Andhra Pradesh, and Odisha.

In addition to her profound command over direct taxation frameworks and corporate compliance, Ms. Sinha possesses significant cross-functional experience in international trade. Recognizing her administrative acumen, she was specially selected to serve as the Additional Director General of Foreign Trade under the Ministry of Commerce, Government of India, in New Delhi.

Academic Credentials & Executive Education: Ms. Sinha holds a postgraduate degree in Economics. She has continually advanced her professional knowledge and strategic capabilities by attending specialized courses at some of the most prestigious global and national institutions, including:

- Harvard University (Boston, USA)
- Syracuse University (Syracuse, USA)
- Indian Institute of Management (IIM), Bangalore
- NALSAR University of Law, Hyderabad

Item No.5:Approval for formulation, adoption, and implementation of "Power Mech Projects Limited -Employee Stock Option Plan -2026" ("PMPL ESOP -2026"/ "Plan") for grant of employee stock options to the employees of the Company under this Plan:

Item No.6: Approval for formulation, adoption and implementation of Power Mech Projects Limited -Employee Stock Option Plan -2026' ("PMPL ESOP -2026"/ "Plan") for grant of employee stock options to the employees of any Subsidiary of the Company under this Plan:

Employees Stock Option is a useful tool to attract, retain and motivate the best available talent and to reward them for performance. This also provides an opportunity for employees to participate in the growth of the Company, besides creating long-term wealth in their hands.

The Power Mech Projects Limited -Employee Stock Option Plan -2026' ("PMPL ESOP -2026"/ "Plan") proposed to be introduced is aimed at retaining the best talent in the Company. The opportunity to benefit from the equity upside (vis-à-vis fixed cash payouts) through the achievement of long-term business objectives further drives the high-performance culture needed in our business, which ultimately benefits shareholders.

Accordingly, based on the recommendation and approval of the Nomination and Remuneration Committee ("Committee") and the Board of the Company, the approval of members of the Company is being sought for implementation of the Plan. The salient features of the Plan in terms of Section 62(1) (b) of the Companies Act, 2013 read with Rule 12 and Regulation 6 of the SBEB Regulations are given as hereunder:

1. **Brief description of the scheme:**

The detailed terms and conditions of the Plan were duly approved by the Committee and Board at its meetings held on August 8, 2026, subject to further approval of the shareholders of the Company.

Under the Plan, the Company would grant up to 10,00,000 (Ten Lakh) Options in one or more tranches in the Plan to all the eligible employees of the Company and Subsidiary of the Company that would entitle the grantees (in aggregate) the right to acquire, not exceeding 10,00,000 (Ten Lakh) fully paid-up equity shares of ₹10/- (Rupee One) each, representing 3.16% of the share capital of the Company as on June 30, 2026, on a fully diluted basis, with each such Option conferring a right upon the eligible employees to apply for one equity share in the Company in accordance with the terms and conditions as may be decided under the Plan.

The Plan provides for the grant of Options to employees of the Company and any Subsidiary of the Company, as may be permissible under the Regulations (hereinafter referred to as 'Employees') from time to time. Every grant of Options shall be governed by a vesting schedule and such other terms, as determined by the Committee at the time of each grant. After vesting, the Employees may exercise the vested Options within the pre-defined exercise period. Each Option is convertible into one Equity Share of the Company upon vesting and exercise.

The Company will issue Equity Shares upon exercise of vested Options, subject to fulfillment of certain condition(s) including without limitation payment of exercise price and satisfaction of tax obligations.

The Committee shall act as the compensation committee for the administration and supervision of the Plan. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

The Committee/ the Board or any other person(s) authorized by the Committee/ the Board from time to time shall take necessary administrative steps in order to implement, supervise, and administer the Plan including but not limited to the following:

(a) the quantum of the Option to be granted under the Plan per Employee;

(b) the Eligibility Criteria for Grant of Option to the Employees;

(c) the specific Exercise Period within which the Employee should Exercise the Option and that Option would lapse on failure to Exercise the Option within the Exercise Period;

(d) the specified time period within which the Employee shall Exercise the Vested Option in the event of termination or resignation of an Employee;

(e) the right of an Employee to Exercise all the Options vested in him at one time or at various points of time within the Exercise Period;

(f) the procedure for making a fair and reasonable adjustment to the number of Option and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee:

   i. the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and

   ii. the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees.

(g) the procedure and terms for the Grant, Vesting and Exercise of Option in case of Employees who are on long leave;

(h) the conditions under which Option vested in Employees may lapse in case of termination of employment for Misconduct;

(i) the procedure for buy-back of Options, if any, granted under the Plan, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

   (i) permissible sources of financing for buy-back;

   (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and

   (iii) limits upon quantum of Options that the Company may buy-back in a financial year.

(j) the procedure for funding for Exercise of Options, as permitted under the Applicable Laws; and

(k) approve forms, writings and/or agreements for use in pursuance of the Plan.

2. **Total number of options to be granted:**

It is proposed to grant/offer/issue up to 10,00,000 (Ten Lakh) Options in the Plan, in one or more tranches. Each Option will entitle the option holder to 1 (one) Equity Share of the Company. Accordingly, up to 10,00,000 (Ten Lakh) Equity Shares shall be allotted to the Employees under the Plan upon exercise of all options under the Plan.

Further, the Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the Options granted or to be granted. In this regard, the Committee shall adjust the Options and/or price of the Options granted or to be granted in such a manner that the total value of the Options granted or to be granted under the Plan remains the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Options grantees for making such fair and reasonable adjustment, the aforesaid ceiling shall be deemed to be increased to the extent of such additional Options issued.

3. **Identification of classes of employees entitled to participate and be beneficiaries in the scheme:**

Subject to determination or selection by the Committee, Employee(s) as defined in Regulation 2(1) (i) of the Regulations as amended from time to time, shall be eligible to participate and be beneficiaries in the Plan.

4. **Requirements of vesting and period of vesting:**

Subject to statutory exceptions (such as death or permanent incapacity) under the Regulations, the Options granted under the Scheme shall follow a staggered vesting schedule. While the statutory minimum vesting period is one (1) year from the date of grant, the overall staggered vesting period shall span not less than Two (2) years and not more than five (5) years. Based on these parameters, the Committee will determine the exact quantum and specific vesting dates for each tranche, which will be stated in the individual grant letters.

To ensure alignment with shareholder value creation, the vesting of Options will be subject to both continued employment and the fulfilment of mandatory performance conditions or achievement of performance indicators. The Committee will establish these conditions based on measurable financial, operational, and strategic milestones aligned with the Company's long-term business objectives. While the specific threshold targets will be stated confidentially in the individual grant letters, the performance metrics will generally encompass company-level financial targets (e.g., EBITDA margins, PAT) and individual Key Result Areas (KRAs). The Committee will ensure that the performance conditions are objective, challenging, and clearly communicated to the grantee.

The Company hereby commits and articulates its intention to disclose, in its subsequent Annual Reports (for the financial year in which the vesting occurs), the detailed basis of vesting of these stock options.

5. **Maximum period subject to regulation 18(1) of SBEB regulations within which the options/benefits shall be vested:**

The vesting period of stock options shall not be less than a period of 1 year, and which may extend to a maximum period of 5 years, from the date of grant, as may be decided by the Committee and stated in the grant letter. The Committee may vary the maximum vesting period from time to time, as may be statutorily permissible.

6. **Exercise price or pricing formula:**

The Committee shall determine the Exercise Price for the Options based on a clearly defined and unambiguous pricing band. The Options will be granted at an Exercise Price ranging from a minimum of 10% to a maximum of 25% of the Market Price of the Shares on the date of grant. In no event shall the price fall below the face value of the Shares, and all pricing shall comply with the accounting policies stipulated under Regulation 15 of the SEBI (SBEB) Regulations.

The employee shall also be liable to pay the Company the amount equivalent to the value of the perquisite tax payable on the exercise of the options in accordance with the provisions of the Income Tax Act, 1961, and other applicable laws (if any) at the relevant time.

7. **Exercise period/offer period and process of exercise/acceptance of offer:**

Exercise period: The Exercise Period in respect of the Vested Option shall be subject to a maximum period of 2 (Two) years from the date of Vesting of respective Options.

In the event of resignation / termination / superannuation / death / permanent disability, stock options will be exercised in accordance with the terms of PMPL ESOP -2026/Plan.

Process of exercise:

- Vested stock options shall be exercisable by the grantee by making a written application to the Company expressing his / her desire to exercise such stock options in such manner and in such format as may be prescribed by the Company from time to time.
- Exercise of stock options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the employee.
- Stock options if not exercised within the specified exercise period will lapse.

8. **Appraisal process for determining the eligibility of employees for the scheme:**

The appraisal process for determining the eligibility of the employee will be specified by the Committee. However, the process for determining the eligibility of the employees will be based on designation, period of service, performance-linked parameters such as work performance, past, present as well as future, seniority of the employee and such other criteria as may be determined by the Committee at its sole discretion, from time to time. The Committee may decide to extend the benefits of the Plan to new entrants or to existing eligible employees on such basis as it may deem fit, in accordance with applicable law, in the best interest of the Company.

In determining the eligibility of employees to participate in the Plan, the Committee may consider one or more of the parameters on a case-by-case basis including but not limited to tenure, performance, position and responsibilities of the employee, nature and value of the employee's service to the company, employee's present and potential contribution and such other factors as may be deemed appropriate by the Committee, at its sole discretion, from time to time.

Distribution skew: The Company is committed to fostering wealth creation for employees at all levels of the organization. Accordingly, the Options granted under this Scheme will be equitably distributed and shall not be disproportionately allocated to senior leadership. The Scheme will apply to all eligible employees, in accordance with applicable laws, across various organizational bands-ranging from Non-Managerial Staff to the Senior Management of the Company.

To ensure a broad-based distribution, the Committee shall ensure that the aggregate number of Options granted to Key Managerial Personnel (KMPs) and Senior Management Personnel (SMP)* shall not exceed 25% of the total pool, ensuring the substantial majority of the Options are distributed among the broader employee base.

Further, the maximum number of Options under Plan that may be granted to any Employee in any one year shall not exceed 10,000 (Ten Thousand) Options.

* SMP means officers of the Company, as defined in the Remuneration Policy of the Company in-line with the Listing Regulations.

9. **Maximum number of options, shares, as the case may be, to be offered and issued per employee and in aggregate, if any:**

The maximum limit for any single employee:

The maximum number of options to be issued to any single eligible employee from the Plan will be decided by the Committee. However, the maximum number of Options under Plan that may be granted to each Employee in any one year shall not exceed 10,000 (Ten Thousand) Options at the time of Grant.

The aggregate number of options available for grant under PMPL ESOP-2026 for all employees:

A maximum of 10,00,000 (Ten Lakhs) options shall be available for grant to employees of the Company under the plan and a maximum of 2,00,000 (Two Lakh) employee stock options ("Options") out of total 10,00,000 (Ten Lakh) employee stock options ("Options") under the plan shall be available to employees (present or future) of any Subsidiary of the Company. Each Option shall entitle the option holder to one fully paid-up equity share of face value of ₹10/- of the Company (as adjusted for any changes in the capital structure of the Company). Accordingly, up to 10,00,000 (Ten Lakh) equity shares of face value of ₹10/- each shall be allotted to employees under the Plan.

10. **Maximum quantum of benefits to be provided per employee under a scheme:**

The Employees will be entitled to Equity Shares of the Company on the exercise of Options as per the terms provided under the Plan. The maximum quantum of benefits provided to any eligible employee under the Plan will be the difference between the market value of the Company's equity shares on the Stock Exchanges as on the date of exercise of Options and the exercise price paid by the employee.

No benefits, other than grant of Options and issuance of equity shares upon exercise, are envisaged under the Plan.

11. **Whether the scheme is to be implemented and administered directly by the company or through a trust:**

The Plan shall be implemented directly by the Company through the Committee and/ or Board of Directors of the Company.

12. **Whether the scheme involves the new issue of shares by the company or secondary acquisition by the trust or both:**

The Plan will involve issue of new Equity Shares of the Company and will not involve any secondary acquisition.

13. **The amount of loan to be provided for implementation of the scheme by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

Not Applicable.

14. **Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme:**

Not Applicable.

15. **Statement to the effect that the company shall conform to the accounting policies specified in regulation 15 and accounting standards:**

The Company will follow and comply with Indian Accounting Standard (Ind AS) 102 - share-based payment and/or any other applicable accounting standards, including the guidance note issued by the ICAI, if any, as may be prescribed by the Central Government in terms of the Act and rules made thereunder, including disclosure requirements prescribed therein in compliance with Regulation 15 of the SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws.

16. **Method which the Company shall use to value its options:**

The Company shall follow the 'fair valuation method' for the valuation of Options as prescribed under Ind AS 102 on share-based payment or any accounting standard/ guidance note, as applicable, notified by the competent authorities from time to time.

17. **Lock-in period:**

The Equity Shares issued pursuant to the Exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may apply under the applicable laws/regulatory authority from time to time.

18. **Statement with regard to Disclosure in Director's Report:**

As per applicable requirements, the Company shall make all such necessary disclosures in the Directors' Report

19. **Conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct:**

All the vested Options as on the date of termination (due to misconduct or breach of company policies/ terms of employment from time to time) which were not exercised shall stand cancelled with effect from the date of such termination.

20. **Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:**

All the vested Options as on the date of submission of resignation shall be exercisable by the Employee 3 months from the date of submission of resignation.

All the vested Options as on the date of termination (due to misconduct or breach of company policies/terms of employment from time to time) shall stand cancelled and will not be available for exercise.

21. **In case the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report:**

Not applicable.

22. **Terms & conditions for buyback, if any of specified securities covered under the Regulations:**

The Committee has the powers to determine the procedure and other terms and conditions for buy-back of Options granted, if the Company decides to undertake the buy-back of the Options granted at any time in compliance with applicable laws.

In terms of Section 62(1) (b) and other applicable provisions, if any, of the Act read with Rules there under and Regulation 6(1) and other applicable provisions of the Regulations, the implementation of the Plan and grant of Options to the Employees of the Company under the Plan require approval of the shareholders by way of a special resolution. Therefore, the approval of the shareholders of the Company is being sought to pass a special resolution as set out at item no.5.

Further, as per section 62(1) (b) and other applicable provisions, if any, of the Act read with Rules there under and Regulation 6(3) (c) of SBEB Regulations, approval of the shareholders by way of separate special resolution is also required for extending the benefits of the Plan to the employees of subsidiaries of the Company and grant of Options to employees of the subsidiaries of the Company under the Plan. Therefore, the approval of the shareholders of the Company is being sought to pass a special resolution as set out at item no. 6.

A copy of the draft scheme is available for inspection on the website of the Company at: https://powermechprojects.com/codes-policies/

None of the directors and key managerial personnel of the Company or their relatives are in any way, financially or otherwise, concerned or interested in the resolutions.

The Board recommends the Special Resolutions set out at Item No. 5&6 of the notice for approval by the members.

Item No.7: Ratification of remuneration payable to Cost Auditors for the financial year 2026-27:

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records by a cost accountant in practice.

The Board, on the recommendation of the Audit Committee, at its meeting held on May 20, 2026, approved the appointment and remuneration payable to the cost auditors, M/s. MPR & Associates, Cost Accountants (Firm Reg. No: 000413), Hyderabad, to conduct the audit of the cost records of the Company for the financial year 2026-27, with a remuneration of ₹1,25,000/- (rupees one twenty-five thousand only) plus out of pocket expenses and applicable taxes thereon

M/s. M P R & Associates., Cost Accountants (Firm Reg. No: 000413), Hyderabad, have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as approved by the Audit Committee and the Board of directors, needs to be ratified by the members of the Company. Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2026-27.

None of the directors, key managerial personnel of the Company or their relatives are in any way deemed to be interested or concerned in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the notice for approval by the members.

Item No.8: Payment of remuneration to Mr. M. Rajiv Kumar (DIN: 07336483), Non- Executive Director by way of consultancy fees:

As per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2014, as amended from time to time, a listed entity is required to obtain the approval of members of the Company every year by way of Special Resolution for payment of remuneration to a single Non-Executive Director, if it exceeds 50% of the total remuneration payable to Non-Executive Directors of the Company.

The proposed remuneration to Mr. M. Rajiv Kumar (DIN: 07336483), Non-Executive Director for the FY 2026-27 by way of consultancy fees, which was recommended by the Nomination and Remuneration Committee and approved by both the Audit Committee and the Board, is exceeding the above said limits and in order to comply with the regulations, this resolution is being put forth before the members for their consent.

In the opinion of the Board of Directors of the Company, Mr. M. Rajiv Kumar is a person of high repute and has a rich experience of almost 4 decades in Power Sector. His in-depth knowledge of Power and Strategic guidance on business matters has helped the Company in executing and completing many prestigious projects.

The Board of Directors concurs that taking into consideration the contribution and efforts of Mr. M. Rajiv Kumar, it is desirable to remunerate him by way of paying consultancy fees as mentioned in the resolution set out at item no.8 of the notice.

Except Mr. M. Rajiv Kumar and his relatives, none of the directors, key managerial personnel of the Company or their relatives are in any way deemed to be interested or concerned in this Resolution.

The Board recommends the Special Resolution set out at Item No.8 of the notice for approval by the members.

Item No.9: Commission payable to Independent Directors:

The Members are informed that the role, responsibilities, and fiduciary duties of Independent Directors have significantly increased under the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and various other regulatory frameworks. The Independent Directors devote considerable time, expertise, and guidance to the strategic and governance functions of the Company.

In view of the enhanced responsibilities and to adequately compensate them for their time and valuable contributions, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), has proposed to pay remuneration by way of commission to the Independent Directors.

To ensure complete transparency and align with the best corporate governance practices, the parameters for the proposed commission are detailed as follows:

- **Maximum Limit per Director:** The commission payable shall not exceed **₹ 10 Lakhs** per Independent Director (present and future) per financial year.
- **Overall Statutory Limit:** The total remuneration payable to all Non-Executive Directors (including Independent Directors) shall remain strictly within the statutory limit of 1**% of the net profits** of the Company for that financial year, computed in accordance with Section 198 of the Act.
- **Validity:** The approval is sought for a period of five (5) years commencing from the Financial Year 2025-26.
- **Exclusivity:** The payment of this commission shall be in addition to the sitting fees and reimbursement of out-of-pocket expenses paid to the Independent Directors for attending Board and Committee meetings.

Except all the Independent Directors of the Company, none of the directors, key managerial personnel of the Company or their relatives are in any way deemed to be interested or concerned in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No.9 of the notice for approval by the members.

By Order of the Board
For Power Mech Projects Limited

M. Raghavendra Prasad
Company Secretary and Compliance Officer
M. no.: A41798

Date: August 8, 2026
Place: Hyderabad

Annexure- A

Details of Directors seeking appointment /re-appointment at the forthcoming Annual General Meeting

(Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2)

Name of the Director	Mr. M. Rajiv Kumar (DIN: 07336483)	Mrs. Vasundhara Sinha (DIN: 11566123)
Age	72 years	62 years
Qualification	Graduate in Electrical Engineering	IRS-Retired (Holds postgraduate degree in Economics)
Date of first appointment on the Board	November 14, 2015	June 20, 2026
Relationship between Directors inter- se	Nil	Nil
Experience/ Expertise in specific functional areas/ Brief resume of the Director	Mr. M. Rajiv Kumar spent his entire career of 38 years in BHEL and by his sheer hard work and acumen, he rose to the level of Executive Director, Eastern Region. During his career, he initiated, planned, executed and commissioned many power projects and today they stand testimony of his leadership quality and feeding power to the nation. He holds impeccable record for identifying right persons for right jobs, mentoring and motivating the entire team under him. He has strong project management skills, is exceptionally good at team building, easily adaptable and flexible towards project needs and possesses superior inter-personal & time management skills.	As mentioned in the above explanatory statement
Terms and Conditions along with details of remuneration sought to be paid	As set out in the resolution	As set out in the resolution
Last Remuneration drawn (₹ In crores)	0.46 (excluding the reimbursement of out-of-pocket expenses)	Not applicable
Name(s) of other companies in which directorships held	Nil	Nil
Listed entities from which resigned in the past three years	Nil	Not applicable
Name(s) of other Companies in which Committee Membership(s) / Chairmanship(s) held	Nil	Nil
No. of shares (as on March 31, 2026) of ₹10/- each held by (i) The Director (ii) His/ her relatives **Total**	 500 0 **500**	Nil
No. of Board Meetings attended during the year	5	Not applicable

Directors' Report

Dear Members,

Your directors have great pleasure in presenting the report on the Business and Operations of your Company ("the Company" or "PMPL"), along with the audited financial statements, for the financial year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

The financial highlights of the Company are as follows:

₹ in Crores

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	4,728	4,435	6,062	5,234
Other income	72	66	45	45
Total Income	4,800	4,501	6,107	5,279
Total Expenditure	4,247	3,948	5,357	4,630
Profit before interest, depreciation and tax	553	553	750	649
Less: Depreciation	65	48	74	56
Less: Interest and Finance Charges	101	86	116	99
Share of Profit from JV and Associates	-	-	(3)	(3)
Profit before tax	387	419	557	491
Provision for taxes (including DTL)	88	118	146	143
Profit after tax	299	301	412	348
Profit attributable to equity holders of the parent before OCI	299	301	364	326
Other Comprehensive Income	-5	1	-2	(2)
Total Comprehensive Income	294	302	410	346
Profits attributable to equity holders of parent after OCI	294	302	362	325
Dividend for the year		3.16		3.16
Reserves (Excluding Revaluation Reserve)	2,363	2,074	2,487	2,128
EPS (₹) on face value of ₹10/- each	94	95	115	103
Book Value (₹) on face value of ₹10/- each share	758	666	797	683

REVIEW OF OPERATIONS:

Your Company has achieved operational turnover of ₹4,728 Cr and Profit after tax of ₹ 299 Cr during the FY 2025-26 as against previous year operational turnover of ₹4,435 Cr and Profit after tax of ₹301 Cr respectively.

Further, your Company has achieved consolidated Revenue from Operations of ₹6,062 Cr and Profit after tax of ₹412 Cr for the FY 2025-26 as against previous year operational turnover of ₹5,234 Cr and Profit after tax of ₹348 Cr respectively.

Dividend

The Board of Directors of your Company in its meeting held on May 20, 2026, recommended a dividend @ 15% (₹1.50/- per equity share of ₹10/- each) for the financial year 2025-26 after having considered ongoing and imminent commitments, subject to shareholders' approval at the ensuing annual general meeting (AGM) and shall be subject to deduction of income tax at source.

Dividend Distribution Policy

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended, the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at https://powermechprojects.com/codes-policies/

SHARE CAPITAL

The Authorised Capital of the Company is ₹35,00,00,000 and the paid-up equity share capital of the Company stood at ₹31,61,62,920 comprising of 3,16,16,292 equity shares of ₹10/- each.

RESERVES

No amounts were proposed to be transferred to Reserves for the period under review.

FIXED DEPOSITS

The Company has not accepted any deposits from Public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet.

LISTING OF EQUITY SHARES

The securities of the Company are listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Further, the Company has no equity shares carrying differential rights.

The Company has paid Listing Fees for the Financial Year 2026-27, to each of the Stock Exchanges, where its equity shares are listed.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has following subsidiaries, associate Companies and joint ventures both in India and overseas within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries:

Subsidiary Company	
Power Mech Industri Private Limited	Kailash River Bed Minerals LLP
KBP Mining Private Limited	Vindyavasini Mining Works LLP
Kalyaneswari Tasra Mining Private Limited	Vanshika Mining Works LLP
Hydro Magus Private Limited	Velocity Mining Works LLP
Power Mech BSCPL Consortium Private Limited	Power Mech Projects (BR) FZE, Nigeria
Power Mech SSA Structures Private Limited	Power Mech Projects Limited LLC, Oman
PMTS Private Limited	Power Mech Arabia Contracting Company, Saudi Arabia
Deoghar Ring Road Project Private Limited (D.O.I: 02-05-2025)	PMTS Technology LLC, Dubai
Suryatna Projects Private Limited (D.O.I: 16-07-2025)	PMTS Inc., USA (D.O.I: 24-06-2025)
PM Green Private Limited (D.O.I: 09-04-2025)	
Joint Ventures	**Associate Companies**
GTA Power Mech Nigeria Limited	MAS Power Mech Arabia, Saudi Arabia
GTA Power Mech DMCC, Dubai	Power Mech LLC, Qatar

Consolidated financial statements have been prepared by the Company in accordance with the requirements of Ind AS 110 issued by Institute of Chartered Accountants of India (ICAI) and as per the provisions of the Act.

Pursuant to the provisions of Section 129(3) of the Act and Rule 8(1) of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries, in **Form AOC-1**, is attached as **Annexure-1** to this report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, including the consolidated financial statements, along with the relevant documents and the separate audited financial statements in respect of subsidiaries are made available on the website of the Company at https://powermechprojects.com/subsidiaries/

Further, the Company's policy on determining the material subsidiaries, as approved by the Board is uploaded on the Company's website at https://powermechprojects.com/codes-policies/

Subsidiaries:

Power Mech Industri Private Limited: One of the wholly-owned subsidiaries of PMPL. It undertakes major job works through its state-of-the-art workshop in Noida. The machines of the workshop are working at full steam, undertaking critical jobs, meeting customers' satisfaction and proceeding with further expansion in line with the need in the industry.

Power Mech SSA Structures Private Limited: One of the wholly-owned subsidiaries of PMPL, was established to undertake the project (Package-I) of providing necessary infrastructure viz. furniture and additional classrooms including library rooms & electrical facilities in all Government Schools, KGBVs & Bhavitha buildings under the scheme of Sarva Shiksha Abhiyan.

PMTS Private Limited: One of the wholly-owned subsidiaries of PMPL, incorporated to explore and develop software.

PM Green Private Limited: One of the wholly-owned subsidiaries of PMPL, incorporated in India for exploring the opportunities in the solar and other renewable energy projects.

Deoghar Ring Road Project Private Limited: One of the wholly-owned subsidiaries of PMPL, incorporated in India for executing the project "Construction of 4 lane Bypass to NH-114A Connecting NH-333 and NH-133 (Deoghar Bypass) from design km 0.00 to design Km 49.00 (Total Length – 49.00 km) in the state of Jharkhand on Hybrid Annuity mode.

Power Mech Projects LLC: One of the wholly-owned subsidiaries of PMPL incorporated in Oman to tap the local market of Oman and neighbouring countries.

Power Mech Projects BR FZE: A wholly owned enterprise of Power Mech, incorporated in the Free Zone of Nigeria.

Hydro Magus Private Limited: One of the subsidiaries of PMPL established with a vision to make positive contribution in surging Hydro Power sector in India and neighboring countries. The Company has successfully executed some critical hydro projects and is fully geared and aggressively planning for undertaking comprehensive projects.

Power Mech BSCPL Consortium Private Limited: One of the subsidiaries of PMPL which was mainly incorporated to undertake the infrastructure development works required for development of medical device Manufacturing Park for Andhra Pradesh Medtech Zone Limited at Vishakhapatnam.

KBP Mining Private Limited: One of the subsidiaries of PMPL, incorporated for the exploration, design, engineering, development, and operation of mines.

Kalyaneswari Tasra Mining Private Limited: One of the subsidiaries of PMPL, incorporated in exploring, design & engineering, developing, operating and working at Tasra Open cast mine located in the state of Jharkhand.

Suryatna Projects Private Limited: One of the subsidiaries of PMPL, incorporated to undertake and execute solar energy projects under the PM Kusum scheme in the state of Bihar. It focuses on solar pump installation, solarisation of agricultural pumps, and small solar power plants on barren land, helping farmers cut diesel dependence and earn from surplus power. The company works closely with Bihar's state nodal agencies and DISCOMs to advance the scheme's goal of sustainable, decentralised solar energy in agriculture.

Power Mech Arabia Contracting Company: One of the subsidiaries of PMPL incorporated to execute contracts within the Kingdom of Saudi Arabia.

PMTS Technology LLC, Dubai: A step-down subsidiary company of PMPL and one of the wholly-owned subsidiaries of PMTS Private Limited, incorporated in Dubai, primarily to engage in the business of software development and other ancillary activities, as may be permitted under applicable laws.

PMTS Inc, USA: A step-down subsidiary company of PMPL and one of the wholly-owned subsidiaries of PMTS Private Limited, incorporated in Colorado state of USA, primarily to engage in the business of software development and other ancillary activities, as may be permitted under applicable laws.

Kailash River Bed Minerals LLP: A limited liability partnership incorporated to execute a contract awarded by the Uttarakhand Minerals and Mines Development authority.

Vindyavasini Mining Works LLP, Velocity Mining Works LLP and Vanshika Mining Works LLP are incorporated to execute the sand mining in the state of Madhya Pradesh.

Joint Ventures:

GTA Power Mech Nigeria Limited: A joint venture of Power Mech is designed to undertake packages in power, infra and process industry sectors including ETC of civil, mechanical and electrical and also O&M of plants. With solid and stable technical backup from the parent companies, GTA Power Mech is in a position to undertake projects of any magnitude and type in different terrains and weather. The Company has capability to undertake packages in a spectrum of activities in projects and plants supported by expert team in respective fields and strategic and technical collaborations from parent companies. The project is being executed by GTA Power Mech FZE, the wholly owned subsidiary of GTA Power Mech Nigeria Limited.

GTA Power Mech DMCC: A Joint Venture of Power Mech with 50% shareholding, incorporated in Dubai, UAE.

In addition to the above mentioned registered Joint Ventures, there are various unregistered joint ventures formed with the primary purpose of executing various projects. These joint ventures, though not registered as separate legal entities, were set up to pool resources and expertise to effectively carry out specific works. The details of their financial impact have been disclosed in AOC-1 as per regulatory requirements, ensuring transparency and compliance.

Associates

MAS Power Mech Arabia: An associate Company of Power Mech, established in Saudi Arabia to cater the needs in the Saudi Arabia and surrounding regions for providing services in ETC, Civil and O&M.

The Company is equipped to provide services in all the verticals keeping high standards in quality, safety and timeline. The Company draws technical guidance and support from the parent company and it will be an extended arm of Power Mech in providing its skills and expertise in this part of the world.

Power Mech LLC, Qatar: An associate company of Power Mech, established in Qatar to cater the needs in the Qatar and surrounding regions for providing services in ETC, Civil and O&M.

CONSOLIDATED FINANCIAL STATEMENTS (CFS)

During the year, the Board of Directors reviewed the affairs of its subsidiaries. Your Company has prepared its consolidated financial statements in accordance with the requirements of IND AS 110 issued by the Institute of Chartered Accountants of India (ICAI) and as per the provisions of Section 129(3) of the Companies Act, 2013. The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the financial statements of the Company, including the consolidated financial statements, and all other documents required to be attached to this report are available for inspection by the members at the registered office of the Company during the business hours on all days, except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said financial statements may write a mail to the Company Secretary of the Company. The above-mentioned documents have also been uploaded on the website of the Company at https://powermechprojects.com/annual-reports/

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026, is made available on the Company's website at https://powermechprojects.com/annual-returns/

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis (MDA) for the year under review as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 ("the Listing Regulations") forms part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business and Responsibility Sustainability Report (BRSR) as stipulated under Regulation 34(2)(f) of the Listing Regulations is applicable to your Company for FY 2025-26 and the same is provided as separate section to this Annual Report which indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct'. This would enable the members to have an insight into environmental, social and governance initiatives of the Company.

CORPORATE GOVERNANCE

A separate report on Corporate Governance as required under the Listing Regulations is provided as separate section to this Annual Report.

OUTLOOK AND FUTURE PLANS

"Management Discussion and Analysis" contains a section on the Company's outlook and future plans and members may please refer to the same.

DIRECTORS

As on the date of signing this report, the Board of directors of the Company has an optimum combination of Executive Directors (2), Non-Executive Directors (1) and Independent Directors (4) including one woman Independent Director.

Non-executive and Independent Directors

As prescribed under Listing Regulations and pursuant to Section 149(6) of the Act, the Non-Executive and Independent Directors of the Company are Mr. Vivek Paranjpe, Mr. Jayarama Prasad Chalasani, Mr. Bontha Prasada Rao and Mrs. Vasundhara Sinha.

Executive Directors/ Whole-time Directors

Mr. Kishore Babu Sajja, Chairman and Managing Director and Mr. Rohit Sajja, Whole-time Director

The Company is in-compliance with all the applicable provisions of the Act and the Listing Regulations from time to time for the appointment of Directors.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

During the year under review,

a) Mr. Bontha Prasada Rao appointed as the Non-executive and Independent Director of the Company, for a period of 3 years, with effect from August 8, 2025.

b) Mr. Sajja Rohit, president of the Company, appointed as Whole-time Director of the Company for a period of five years from August 8, 2025.

c) Mr. Sajja Kishore Babu, Chairman and Managing Director of the Company, has been re-appointed as such for a further period of five years effective from April 1, 2026.

d) Mrs. Vasundhara Sinha has been appointed as the Non-executive and Independent Director of the Company, for a period of 2 years, with effect from June 20, 2026, subject to the approval of members.

e) Mrs. Lasya Yerramneni has completed her second and final term as an Independent Director at the close of business hours on June 26, 2026.

f) Mrs. Sajja Lakshmi has stepped down from her role as a Director, effective August 8, 2026, due to personal and professional commitments.

DIRECTORS RETIRING BY ROTATION

Pursuant to the provisions of the Act, Mr. M. Rajiv Kumar retires at the AGM and being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134, sub-section 3(c) and sub-section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

i. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;

ii. such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as on March 31, 2026, and of the Company's profit or loss for the year ended on that date;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DECLARATIONS OF INDEPENDENT DIRECTORS

All independent directors of the Company have given declaration that they meet the criteria of independence as provided in sub-section (6) of section 149 of the Act. The Company also received a declaration of compliance of sub-rule (1) and sub-rule (2) of the Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

Pursuant to the provisions of the Act and the Listing Regulations, the Nomination and Remuneration committee identifies persons who are qualified to become directors in accordance with the criteria laid down and recommend to the Board for their appointment and removal.

The Company adopted a policy relating to the remuneration for Directors and Key Managerial Personnel. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. The remuneration policy for members of the Board and for management, aims at improving the performance and enhancing the value of the Company by motivating and retaining them and to attract the right persons to the right jobs in the Company. The object of this Remuneration Policy is to make your Company a desirable workplace for competent employees and thereby secure competitiveness, future development and acceptable profitability. In order to achieve this, it is imperative that the Company is in a position to offer competitive remuneration in all its operational locations.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is made available on https://powermechprojects.com/codes-policies/

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

The Nomination and Remuneration committee (NRC) shall assess the independence of directors at the time of appointment, re-appointment and the Board shall assess the same annually based on the criteria provided by NRC. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence is as prescribed in the Act and the Listing Regulations and the independent directors shall abide by the Code specified for them in Schedule IV of the Act.

NUMBER OF MEETINGS OF THE BOARD

During the financial year, five (5) meetings of the Board of directors were held on April 10, 2025; May 22, 2025; August 8, 2025; November 10, 2025; and February 10, 2026, in compliance with provisions of the Act read with rules made thereunder, Secretarial Standards and the Listing Regulations.

MANDATORY COMMITTEES OF THE BOARD

The details of the mandatory committees (as per the Act and the Listing Regulations and as on date of signing this report) of the Board are as given below and the compositions of the committees are in line with the applicable provisions of the Act, Rules and Regulations

Name of the Committee	Composition of the Committee	Remarks
Audit Committee	Mrs. Vasundhara Sinha, Chairperson Mr. Jayarama Prasad Chalasani, Member Mr. M Rajiv Kumar, Member Mr. Vivek Paranjpe, Member	The Audit committee of the Board of directors was constituted in conformity with the requirements of Section 177 of the Act and regulation 18 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above. All recommendations made by the Audit committee during the year were accepted by the Board.
Nomination and Remuneration Committee	Mrs. Vasundhara Sinha, Chairperson Mr. Jayarama Prasad Chalasani, Member Mr. M. Rajiv Kumar, Member	The Nomination and Remuneration committee of the Board of directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.
Corporate Social Responsibility Committee	Mr. Sajja Kishore Babu, Chairman Mr. Sajja Rohit, Member Mr. B. Prasada Rao, Member	The Corporate Social Responsibility committee of the Board of directors was constituted in conformity with the requirements of Section 135 of the Act. The Committee monitored the implementation of the CSR Policy from time to time.
Stakeholders' Relationship Committee	Mr. M Rajiv Kumar, Chairman Mr. Sajja Rohit, Member Mr. B. Prasada Rao, Member	The Stakeholders' Relationship committee of the Board of directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.
Risk Management Committee	Mr. Bontha Prasada Rao, Chairman Mr. Jayarama Prasad Chalasani, Member Mr. M Rajiv Kumar, Member Mr. Sajja Kishore Babu, Member	The Risk Management committee of the Board of directors was constituted in conformity with the requirements of Regulation 21 of the Listing Regulations with its role as stipulated in the Listing Regulations.

A detailed note on the Board and its mandatory Committees is provided in the Corporate Governance Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in Form AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, are enclosed as Annexure-2 to this report.

The policy on materiality of related party transactions and also on dealing with the related party transactions as approved by the Audit committee and the Board of directors was placed on the website of the Company at https://powermechprojects.com/codes-policies/

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, with respect to Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo are provided in Annexure-3 to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans given, guarantees provided and investments made, if any, during the Financial Year ended on March 31, 2026, are enclosed as Annexure- 4 to this Report in compliance with the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014. The particulars of aggregate loans, guarantees and investments under Section 186 of the Act are disclosed in the notes to Financial Statements, which may be read as part of this Report.

Further, the disclosure under Regulation 34(3) read With Schedule V of the Listing Regulations is enclosed as Annexure- 5

RISK MANAGEMENT POLICY

The Board formulated and implemented Risk Management Policy for the Company which identifies various elements of risks which in its opinion may threaten the existence of the Company and measures to contain and mitigate risks. The Company has adequate internal control systems and procedures to combat the risk. Further, the Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations and the same is also made available on the Company website of the Company at: https://powermechprojects.com/codes-policies/

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The annual report on CSR activities, in terms of Section 135 of the Act, and the details about the policy developed and implemented by the company on CSR initiatives taken during the year are enclosed as Annexure-6 to this report. A detailed policy on CSR is placed on the Company's website under the web link: https://powermechprojects.com/codes-policies/

BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out annual performance evaluation of its own, the individual directors as well as the mandatory committees of the Board. A structured set of criteria was adopted after taking into consideration the inputs received from the directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Evaluation of the Board members is conducted on an annual basis by the Board, Nomination and Remuneration committee and Independent Directors with specific focus on the performance and effective functioning of the Board and individual directors.

The Nomination and Remuneration committee had specified criteria for performance evaluation of Directors, Committees and Board as a whole and recommended the same to the Board for evaluation.

CRITERIA FOR PERFORMANCE EVALUATION

a. Ability of the candidate to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.

b. Adherence to the Code of Conduct in letter and in spirit by the Independent Directors.

c. Bringing objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management.

d. Statutory compliance and ensuring high standards of financial probity and Corporate Governance.

e. Responsibility towards requirements under the Companies Act, 2013, responsibilities of the Board and accountability under the Director's Responsibility Statement.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors attend a Familiarization /Orientation Program on being inducted into the Board. Further, various other programmes are conducted for the benefit of Independent Directors to provide periodical updates on regulatory front, industry developments and any other significant matters of importance through Board meetings. The Company issues a formal letter of appointment to the Independent Directors, outlining their role, function, duties and responsibilities, the format of which is available on the Company's Website.

The details of training and familiarization program are available on the website at https://powermechprojects.com/codes-policies/

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

During the period under review PM Green Private Limited; Deoghar Ring Road Project Private Limited; PMTS Inc.; and Suryatna Projects Private Limited became the subsidiaries of the Company and Aashm Avenues Private Limited, Energy Advisory and Consulting Services Private Limited and Power Mech Environmental Protection Private Limited were closed through strike-off route.

DETAILS IN RESPECT OF THE ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company maintains a robust internal control system that is fully commensurate with the size, scale, and complexity of its operations. To ensure data integrity and operational efficiency, all corporate records are securely maintained within the SAP ecosystem, with workflows and approval matrices systematically routed through the platform.

The Internal Audit Department continuously monitors and evaluates the efficacy and adequacy of these internal controls. This includes assessing compliance with standard operating systems, accounting procedures, and corporate policies across all locations of the Company and its subsidiaries. Based on the findings of the internal audit reports, the respective business units undertake immediate corrective actions in their areas to further strengthen the control environment. Additionally, all significant audit observations and the corresponding corrective measures are periodically presented to the Audit Committee of the Board for their review and oversight.

VIGIL MECHANISM

The Board of Directors, on the recommendation of the Audit Committee, established a vigil mechanism for directors and employees called "Whistle Blower Policy", pursuant to the provisions of the Companies Act, 2013, and Listing Regulations to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy and to provide adequate safeguards against victimization of persons who use such mechanism and to provide direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Whistle Blower Policy is posted under the Investors section of the Company's website at: https://powermechprojects.com/codes-policies/

FRAUD REPORTING

During the Financial Year under review, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company, pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company maintains a zero-tolerance approach towards sexual harassment at the workplace and has adopted a formal policy in strict compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Company actively undertakes various organization-wide initiatives to build awareness among employees regarding the Policy and the statutory provisions of the Act. The details of sexual harassment complaints filed and resolved under the POSH Act and the corresponding Rules are as follows:

No. of Complaints Received	: Nil
No. of Complaints disposed of	: NA

Further, during the year under review, the Company has complied with the provisions related to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors has adopted an Insider Trading Policy in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy establishes the guidelines, procedures, and disclosure requirements to be strictly adhered to by individuals while in possession of Unpublished Price Sensitive Information (UPSI) and while dealing in the securities of the Company. It also explicitly details the consequences of any violations. The primary objective of the Policy is to regulate, monitor, and ensure the accurate reporting of trading by employees and designated insiders, thereby upholding the highest ethical standards in all securities transactions.

The Company's Insider Trading Policy, which encompasses the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the Code of Conduct for Prevention of Insider Trading, is available on our website at: https://powermechprojects.com/codes-policies/

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, pursuant to the provisions of Section 124 (5) of the Act (section 205A of the Companies Act, 1956), an amount of ₹84,726.00/- relating to FY 2017-18, which remained unclaimed for a period of 7 years was transferred to the Investor Education and Protection Fund by the Company in October 2025.

TRANSFER OF UNCLAIMED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

During the year under review, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) up to and including the financial year 2016-17 were transferred by the Company in the name of IEPF from time to time and the statement containing such details as prescribed is placed on the Company's website at https://powermechprojects.com/unpaid-unclaimed-dividend/

STATUTORY AUDITORS & AUDITOR'S REPORT

The Members of the Company at their meeting held on September 27, 2024, approved the appointment of Brahmayya & Co, Chartered Accountants (Firm Registration No. 000513S), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of 25th AGM till the conclusion of the 30th AGM.

The Auditor's Report on the financial statements of the Company does not contain any qualifications, reservations, or adverse remarks or disclaimer and the Notes on the financial statements referred to therein are self-explanatory, thereby not requiring any further comments on the same.

MAINTENANCE OF COST RECORDS

During the year under review, Section 148(1) of the Act is applicable to your Company and accordingly such accounts and records are made and maintained by the Company as specified in the Act.

COST AUDIT

The Board of directors, based on the recommendations of the audit committee, appointed M/s. M P R & Associates, Cost Accountants, Hyderabad, as Cost Auditors for conducting the audit of cost records of the Company for FY 2025-26. The shareholders of the Company at their 26th AGM held on September 22, 2025, ratified the remuneration payable to the Cost Auditors.

Further, the Board of directors based on the recommendations of the audit committee, appointed M/s. M P R & Associates, Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for FY 2026-27, subject to ratification of remuneration payable to them for the financial year 2026-27 by the members at the ensuing AGM.

SECRETARIAL AUDITORS AND AUDIT REPORT

During the year under review, the Company has complied with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations.

The Members of the Company at their meeting held on September 22, 2025, approved the appointment of Mr. D.S. Rao as Secretarial Auditors of the Company for a period of 5 years from the financial year 2025-26.

The Secretarial Audit Report for the financial year ended March 31, 2026, issued by Mr. D.S. Rao (ACS no. 12394/ CP no. 14487), Practicing Company Secretary, is enclosed as Annexure-7 to this Report and it does not contain any reservation, qualification or adverse remarks.

Furthermore, this is to confirm that, as on closure of the financial year i.e., March 31, 2026, the Company doesn't have any material subsidiary.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of directors/employees of the Company is enclosed as Annexure -8 to this Report.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

In terms of Regulation 25(10) of the Listing Regulations, the Company undertook Directors and Officers insurance.

INDUSTRIAL RELATIONS

Industrial relations have remained cordial during the year under review, and your directors appreciate the sincere and efficient services rendered by the employees of the Company at all levels, contributing to the successful operations of the Company.

GREEN INITIATIVES

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 27th Annual General Meeting of the Company including the Annual Report for FY 2025-26 are being sent to all members whose e-mail addresses are registered with the Company / Depository Participant(s).

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings (i.e., SS-1), General Meetings (i.e., SS-2) and on Dividend (i.e., SS-3).

GENERAL

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

1. There is no change in the nature of the business of the Company.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. No material changes and commitments in the business operations of the Company from the financial year ended March 31, 2026, to the date of the signing of the Directors' Report.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

6. No application made or no proceedings are pending under the Insolvency and Bankruptcy Code, 2016.

7. During the year under review, the Company hasn't opted for one time settlement with any Bank or Financial Institution.

8. The details of difference between the amount of valuation done at the time of one-time settlement and the valuation done while taking loan from Banks or Financial Institutions along with the reasons thereof: **Not applicable**

ACKNOWLEDGMENTS

Your directors thank various departments of Central and State Government, Organizations and Agencies for the continued help and co-operation extended by them to your Company. Your directors also gratefully acknowledge all stakeholders of the Company viz. shareholders, customers, dealers, suppliers, vendors, financial institutions, banks, other intermediaries and business partners for the excellent support received from them during the year.

Your directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

Place: Hyderabad
Date: August 8, 2026

Annexure-1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 and under Rule 8 of Companies (Accounts) Rules, 2014 for the year ended 31st March, 2026).

Statement containing salient features of the financial statement of subsidiaries / associate companies/joint ventures.

Part "A": Subsidiaries

(Information in respect of each subsidiary)

(Rs.in Cr's)

SL No.	Particulars	Details																			
1	Name of the subsidiary	Hydro Magus Private Limited	Power Mech Industri Private Limited	Power Mech Projects Limited LLC	Power Mech BSCPL Consortium Private Limited	Power Mech SSA Structures Private Limited	*Aashm Avenues Private Limited	Power Mech projects (BR) FZE	*Power Mech Environmental Protection Private Limited	KBP Mining Private Limited	*Energy Advisory and Consulting Services Private Limited	Kalyaneswari Tasra Mining Private Limited.	Vindyavasini Mining Works LLP	Vanshika Mining Works LLP	Kailash River Bed Minerals LLP.	Velocity Mining Works LLP	PMTS Private Limited	Power Mech Arabia Contracting Company	PM Green Private Limited	Deoghar Ring Road Project Private Limited	Suryatna Projects Private Limited
2	The date since when subsidiary was acquired	24.09.2012	17.10.2013	20.04.2016	20.12.2017	01.10.2018	16.10.2018	28.01.2019	27.12.2019	11.03.2021	01.04.2021	25.08.2023	27.09.2023	13.09.2023	18.01.2024	23.10.2023	13.03.2024	16.09.2024	09.04.2025	02.05.2025	16.07.2025
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	Omani Riyal (221.91)	INR	INR	INR	"NGN (0.06)"	INR	INR	INR	INR	INR	INR	INR	INR	INR	"SAR (22.78)"	INR	INR	INR
5	Share capital	0.21	0.02	4.31	0.01	0.10	-	0.69	-	0.01	-	0.01	0.01	0.01	0.01	0.01	0.01	1.10	0.01	0.01	0.01
6	Reserves & surplus	(0.67)	16.90	(6.10)	0.88	(1.94)	-	12.72	-	53.98	-	5.05	6.22	1.75	95.23	9.30	0.74	0.17	(0.47)	(2.73)	(0.00)
7	Total assets	5.72	36.17	0.02	7.69	1.77	-	29.07	-	267.62	-	241.83	64.07	51.65	187.87	71.24	1.98	2.24	0.17	154.25	9.40
8	Total Liabilities	6.18	19.26	1.80	6.79	3.61	-	15.66	-	213.63	-	236.77	57.83	49.88	92.63	61.93	1.24	0.96	0.63	156.97	9.39
9	Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Turnover	(4.89)	62.90	-	-	-	-	8.13	-	248.46	-	105.82	73.34	54.09	725.99	90.49	5.42	4.74	-	42.35	-
11	Profit before taxation	(6.97)	7.37	(0.06)	(0.00)	(0.00)	0.01	(5.40)	0.02	73.16	0.00	2.91	4.00	1.02	91.05	9.58	(0.05)	0.07	(0.47)	(2.73)	(0.00)
12	Provision for taxation	-	1.60	-	-	-	-	-	-	18.36	-	0.69	1.39	0.34	31.81	3.33	0.04	-	-	-	-
13	Profit after taxation	(6.97)	5.77	(0.06)	(0.00)	(0.00)	0.01	(5.40)	0.02	54.79	0.00	2.22	2.60	0.69	59.23	6.25	(0.09)	0.07	(0.47)	(2.73)	(0.00)
14	Dividend paid	Nil	Nil	Nill	Nil	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill	Nill
15	Extent of shareholding	88%	100%	70%	51%	100%	100%	100%	100%	74%	100%	74%	51%	51%	51%	51%	100%	76%	100%	100%	60%

None of the above subsidiaries have been liquidated or sold during the year.

* The three subsidiary companies were dissolved under the strike-off mechanism during the period under review.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rs in Cr's)

SL No	Particulars	M/S POWER MECH-M/S ACPL JV	PM-Khilari	PMPL-STS-JV	PMPL-SRC INFRA JV (Mizoram)	PMPL-SRC INFRA JV (Hassan)	BRCCPL JV	KVRECPL JV	PMPL PIA JV	POWER MECH-TAIKISHA JV	RITES-PMPL JV	SCPL - PMPL JV	PMPL-RSVCPL JV	PMPL-UPPER BURHNER JV	POWER MECH - KMV JV	GTA Power Mech DMCC	GTA Power Mech FZE	GTA Power Mech Nigeria Limited	Mas Power Mech Arabia	Power Mech LLC (Qatar)
1	Latest audited Balance Sheet Date	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.03.2026	31.12.2025	31.12.2025
2	Date on which the Associate or Joint Venture was associated or acquired	23.04.2018	31.07.2018	25.10.2018	04.01.2020	15.02.2020	22.10.2020	29.07.2020	17.11.2021	21.10.2022	20.10.2022	03.08.2022	16.08.2023	21.09.2024	20.03.2025	07.05.2018	02.11.2017	08.03.2016	23.02.2015	13.08.2023
3	Shares of Associate/ Joint Ventures held by the company on the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50	-	15000000	332	490
(i)	Total No. of Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100	-	30000000	678	1000
(ii)	Amount of Investment in Associates/Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.09	-	0.32	2.25	0.117694738
(iii)	Extend of Holding%	80%	75%	74%	74%	60%	70%	82%	79%	66%	51%	20%	75%	60%	70%	50%	50%	50%	49%	49%
4	Description of how there is significant influence	PMPL owns 80% of the Voting power	PMPL owns 75% of the Voting power	PMPL owns 74% of the Voting power	PMPL owns 74% of the Voting power	PMPL owns 60% of the Voting power	PMPL owns 70% of the Voting power	PMPL owns 82% of the Voting power	PMPL owns 79% of the Voting power	PMPL owns 66% of the Voting power	PMPL owns 51% of the Voting power	PMPL owns 20% of the Voting power	PMPL owns 75% of the Voting power	PMPL owns 60% of the Voting power	PMPL owns 70% of the Voting power	PMPL owns 50% of the Voting power	PMPL owns 50% of the Voting power	PMPLowns 50% of the Voting power	PMPL owns 49% of the Voting power	PMPL owns 49% of the Voting power
5	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Net worth Attributable to shareholding as per latest audited Balance Sheet	1.63	0.49	0.78	2.08	-	-	-	-	-	-	-	-	-	-	0.54	6.75	0.02	(23.05)	(0.51)
7	Profit/Loss for the year	(0.14)	(0.03)	(0.04)	0.09	-	-	-	-	-	-	-	-	-	-	0.00	(3.91)	(0.00)	(2.12)	0.93
(i)	Considered in Consolidation	(0.11)	(0.02)	(0.03)	0.06	-	-	-	-	-	-	-	-	-	-	0.00	(1.96)	(0.00)	(1.04)	0.46
(ii)	Not Considered in Consolidation	(0.03)	(0.02)	(0.01)	0.02	-	-	-	-	-	-	-	-	-	-	0.01	(1.96)	(0.00)	(1.08)	0.48

None of associates have been liquidated or sold during the year.
Note: Conversion Rate taken at NGN = INR 0.0678 as on 31.03.2026
Note: Conversion Rate taken at SAR = INR 25.03 as on 31.03.2026
Note: Conversion Rate taken at AED = INR 23.092 as on 31.03.2026
Note: Conversion Rate taken at OMR = INR 221.91 as on 31.03.2025
Note: Conversion Rate taken at QAR = INR 25.7864 as on 31.03.2026

For and on behalf of the Board of Directors of

Sajja Kishore Babu
Chairman & Managing Director
DIN: 00971313

Place: Hyderabad
Date: May 20, 2026

Annexure-2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis.

2. Contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis:

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any: (Rs. In Crores)
1.	Sajja Kishore Babu	Lease Rents paid	On going	Leasing of various properties situated in the cities of Hyderabad, Telangana and Vijayawada, Andhra Pradesh	22-05-2025	0.12
2.	Sajja Lakshmi	Lease Rents paid	On going	Leasing of land admeasuring 400 SQ Yards situated at Plot no 77, Jubilee Enclave, Madhapur, Hyderabad, Telangana	22-05-2025	0.12
3.	Sajja Vignatha	Lease Rents paid	On going	Leasing of Guest House situated at Moinabad, Telangana	22-05-2025	0.12
4.	Sajja Rohit	Remuneration Paid	01-04-2025 to 07-08-2025	Payment of remuneration in terms of resolution passed at 25th Annual General Meeting	20-05-2024	0.32
5.	M. Rajiv Kumar	Consultancy fees	In the reporting FY	Fee for consultancy services rendered by him	22-05-2025	0.53
6.	Power Mech Infra Private Limited	Lease Rents paid	On going	Leasing of the property situated at Plot No 56/8,9,10,11, IT Building, opp. Hitex Road, Jubilee Enclave, Madhapur, Hyderabad - 500081	22-05-2025	3.40
		Loan received	10-12-2025 to 09-03-2026	Unsecured Loan received to meet the operating expenditure.	Omnibus	5.00
		Loan Repaid		Repayment of Unsecured Loan received	NA	5.00
7.	PMTS Private Limited	Supply of Services	On going	Purchase of ERP software for implementation of SAP S4 Hana.	22-05-2025	3.62
		Hire charges	In the reporting FY	Hiring of car for Company's usage.	22-05-2025	0.15
8.	Deoghar Ring Road Project Private Limited	Corporate Guarantee	From 29.09.2025 upto receipt of 2nd Annuity from NHAI by DRRPPL	Corporate Guarantee issued to Catalyst Trusteeship Limited against credit facilities sanctioned to Deoghar Ring Road Project Private Limited	22-05-2025	455.00
		Commission on Corporate Guarantee		Commission on Corporate Guarantee issued to Catalyst Trusteeship Limited		4.55

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any: (Rs. In Crores)
		Supply of services	On going	Construction of 4 lane Bypass to NH-114A Connecting NH-333 and NH-133 (Deoghar Bypass) from design km 0.000 to design Km 49.000 (Total Length – 49.000 km) in the state of Jharkhand	10-02-2026 & 20-05-2026	41.63
		Mobilisation advance received		Mobilisation advance received against the EPC contract for Construction of 4-lane Bypass to NH-114A, connecting NH-333 and NH-133 (Deoghar Bypass), from design km 0.000 to design km 49.000 (Total Length – 49.000 km), in the state of Jharkhand		83.63
		Loans Given		Unsecured Loan given to meet the capital and operating expenditure.	22-05-2025	23.05
9.	Power Mech Industri Private Limited	Assets Purchased	In the reporting FY	Purchase of lathe machines	22-05-2025	0.12
		Purchase of store materials		Purchase of store consumables		0.01
		Corporate Guarantee Commission paid	On going	Corporate Guarantee issued to company against loans availed by company from Bank of Bahrain & Kuwait		0.70
		Loans Given		Unsecured Loan given to meet the capital and operating expenditure.		13.33
		Loans Repaid		Unsecured Loan Repaid.		22.22
10.	PM Green Private Limited	Loans Given	On going	Unsecured Loan given to meet the capital and operating expenditure.	22-05-2025	0.63
11.	Suryatna Projects Private Limited	Loans Given	On going	Unsecured Loan given to meet the capital and operating expenditure.	22-05-2025	3.78
12.	Kalyaneswari Tasra Mining Private	Civil Contracting work	On going as approved by the shareholders	Construction and Development of Rehabilitation and Resettlement colony at Tasra Mining Project.	22-05-2025	28.44
		Loans Given		Unsecured Loan given to meet the capital and operating expenditure.		42.04
		Commission on Corporate Guarantee		Corporate Guarantee issued to RBL Bank Limited against credit facilities sanctioned to Kalyaneswari Tasra Mining Private Limited		1.51
13.	KBP Mining Private Limited	Hiring of Equipment	On going as approved by the shareholders	Hiring of Mining equipment by KBP Mining Private Limited	22-05-2025	3.91
		Loans Given		Unsecured Loan given to meet the capital and operating expenditure.		25.74
		Receipt of Commission on Corporate Guarantee		Corporate Guarantee issued to Power Finance Corporation against credit facilities sanctioned to KBP Mining Private Limited		2.56
14.	Kailash River Bed Minerals LLP	Supply of services	In the reporting FY	Sharing of expenses for utilisation of SAP S4HANA	22-05-2025	2.82

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any: (Rs. In Crores)
		Interest received	On going	Interest received on unsecured loan	22-05-2025	4.66
		Loans Given		Unsecured Loan given to meet the capital and operating expenditure.	22-05-2025	15.00
		Loans Repaid		Unsecured Loan Repaid.	NA	16.00
15.	Vindyavasini Mining Works LLP	Supply of services	In the reporting FY	Facilitation of manpower	22-05-2025	0.17
		Interest received	On going	Interest received on the Unsecured Loan given to meet the capital and operating expenditure.		5.49
		Loans Given		Unsecured Loan given to meet the capital and operating expenditure.		4.00
		Loans Repaid		Unsecured Loan Repaid		10.75
16.	Vanshika Mining Works LLP	Interest received	On going	Interest received on unsecured loan	22-05-2025	4.76
17.	Velocity Mining Works LLP	Interest received	On going	Interest received on unsecured loan	22-05-2025	5.84
18.	Power Mech LLC (Qatar)	Supply of services	In the reporting FY	Facilitation of manpower	22-05-2025	1.52
		Interest on Loan	On going	Interest received on Unsecured Loan.	22-05-2025	0.12
		Loans repaid		Unsecured Loan Repaid.	NA	2.15
19.	Power Mech - ACPL JV	Contract receipts from sale of services	on going	Construction of Canal System for Kaleswaram Irrigation Project, Telangana	27-07-2019	13.67
20.	Power Mech-STS-JV	Contract receipts from sale of services	on going	Railway Electrification works in the state of Rajasthan and Haryana	27-07-2019	6.19
21.	PMPLSRC INFRA JV - (Mizoram)	Contract receipts from sale of services	In the reporting FY	Construction of Road in the state of Mizoram	22-05-2025	12.71
22.	PMPL SRC INFRA JV (Hassan)	Contract receipts from sale of services	on going	Construction of Road at in the state of Karnataka	07-08-2021	18.16
23.	Power Mech-Khilari Consortium JV	Supply of services	In the reporting FY	Construction of Sewage treatment plant in the state of Haryana.	22-05-2025	1.56
24.	PMPL - PIA JV	Supply of services	In the reporting FY	Execution of RVNL Loco Repair shed at Vadodara	22-05-2025	44.18
25.	PMPL KVRECPL Consortium JV	Supply of services	In the reporting FY	Execution of NMDC miscellaneous work at Dantewada	22-05-2025	0.59
26.	PMPL-BRCCPL INFRA JV	Supply of services	on going	Execution of pipe line work under Jal Jeevan Mission in the state of Uttar Pradesh	08-09-2022	0.08
27.	RITES-PMPL JV	Supply of services	In the reporting FY	Construction of Depot cum Workshop at Challaghatta in Reach-2 Extension of Bangalore Metro Rail Project, Phase-2	22-05-2026	43.44
28.	SCPL-PMPL JV	Supply of services	In the reporting FY	Railway Electrification works in the state of Karnataka	22-05-2026	1.01
29.	PMPL-TAIKISHAN JV	Supply of services	In the reporting FY	Setting up of Wagon Repair Workshop at Kazipet, Telangana	22-05-2026	100.85
30.	PMPL-RSVCPL JV	Supply of services	In the reporting FY	Construction of Railway line at Yavatmala-Nanded	22-05-2026	88.04

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any: (Rs. In Crores)
31.	PMPL UPPER BURHNER JV	Supply of services	In the reporting FY	Construction of Dam and execution of Micro Irrigation Project in the state of Madhya Pradesh	22-05-2026 & 20-05-2026	112.27
32.	PMPL KMV JV	Construction Works	In the reporting FY	Construction of township at 4*800MW Yadadri Supercritical Thermal Power Project, Nalgonda, Telangana.	10-02-2026 & 20-05-2026	81.44
33.	Power Mech Projects (BR) FZE	Contract receipts from sale of services	On going	Execution of works at Dangote oil Refinery, Nigeria	22-05-2025	1.68
34.	Power Mech foundation	Donations	In the reporting FY	Implementation of CSR activities on behalf of Power Mech Projects Limited	22-05-2025	1.53
35.	Vaishono Infra Services	Sub-contract and Hire Charges	In the reporting FY	Hiring of Cranes for business use.	22-05-2025	2.01

For and on behalf of the Board

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

Place: Hyderabad
Date: August 8, 2026

Annexure-3

Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i) Steps taken for conservation of energy: Energy conservation signifies how effectively and efficiently the company is managing its operations. The Company has undertaken various energy efficient practices and strengthened the Company's commitment towards becoming an environment friendly organization. The Company cautiously utilizes power and fuel to reduce the cost of maintenance.

(ii) Steps taken by the company for utilizing alternate sources of energy: Not Applicable

(iii) Capital investment on energy conservation equipment: Not Applicable

B. Technology absorption

(i) The efforts made towards technology absorption: Not Applicable

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

(iv) The expenditure incurred on Research and Development: Not Applicable

C. Foreign Exchange Earnings and Outgo

(₹ in Crores)

Particulars	FY 2025-26	FY 2024-25
Earned during the year	318.43	234.57
Used during the year	187.59	187.32

For and on behalf of the Board

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

Place: Hyderabad
Date: August 8, 2026

Annexure – 4

Particulars of Loans, Guarantees or Investments during FY 2025-26 under Section 186 of the Act:

<table>
<tr><th rowspan="2">Nature of transaction (whether loan/ guarantee/ security/ acquisition)</th><th rowspan="2">Purpose</th><th rowspan="2">Date of making loan/ acquisition/ giving guarantee/ providing security</th><th rowspan="2">Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (listed/ unlisted entities)</th><th rowspan="2">Amount of loan/ security/ acquisition /guarantee Rs. In Crores</th><th rowspan="2">Time period for which it is made/ given</th><th rowspan="2">Date of passing of Board Resolution</th><th colspan="2">For Loans</th></tr>
<tr><th>Rate of Interest</th><th>Date of maturity</th></tr>
<tr><td>Loan</td><td>To meet Capex and other operational requirement</td><td rowspan="8">On multiple occasions throughout the financial year 2025-26</td><td>Power Mech Industri Private Limited</td><td>13.33</td><td rowspan="10">As per the respective agreements</td><td>11-11-2023</td><td rowspan="6">As per the respective agreements</td><td>-</td></tr>
<tr><td>Loan</td><td>Unsecured Loan for various requirements</td><td>Deoghar Ring Road Project Private Limited</td><td>23.05</td><td>11-11-2023</td><td>-</td></tr>
<tr><td>Loan</td><td>To meet Capex and other operational requirement</td><td>KBP Mining Private Limited</td><td>25.74</td><td>11-11-2023</td><td>-</td></tr>
<tr><td>Loan</td><td>To meet Capex and other operational requirement</td><td>Kalyaneswari Tasra Mining Private Limited</td><td>42.04</td><td>11-11-2023</td><td>-</td></tr>
<tr><td>Loan</td><td>For execution of Contract</td><td>Suryatna Projects Private Limited</td><td>3.78</td><td>11-11-2023</td><td>-</td></tr>
<tr><td>Loan</td><td>For execution of Contract</td><td>PM Green Private Limited</td><td>0.63</td><td>11-11-2023</td><td>-</td></tr>
<tr><td>Loan</td><td>For execution of Contract</td><td>Vindyavasini Mining Works LLP</td><td>4.00</td><td>11-11-2023</td><td>12%</td><td>-</td></tr>
<tr><td>Loan</td><td>For execution of Contract</td><td>Kailash River Bed Minerals LLP</td><td>15.00</td><td>11-11-2023</td><td>13%</td><td>-</td></tr>
<tr><td>Loan</td><td>Unsecured Loan for various requirements</td><td>19-11-2025</td><td>Shangrila Infracon India Private Limited</td><td>15.00</td><td>11-11-2023</td><td>14%</td><td>-</td></tr>
<tr><td>Loan</td><td>Unsecured Loan for various requirements</td><td>10-12-2025</td><td>Power Mech Infra Private Limited</td><td>5.00</td><td>11-11-2023</td><td>12%</td><td>-</td></tr>
<tr><td>Corporate Guarantee</td><td>Guarantee issued against work order received</td><td>05-07-2025</td><td>Mirzapur Thermal Energy (UP) Private Limited</td><td>17.00</td><td>05-07-2025 to 31-01-2028</td><td>11-11-2023</td><td>NA</td><td>NA</td></tr>
</table>

Nature of transaction (whether loan/ guarantee/ security/ acquisition)	Purpose	Date of making loan/ acquisition/ giving guarantee/ providing security	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (listed/ unlisted entities)	Amount of loan/ security/ acquisition /guarantee Rs. In Crores	Time period for which it is made/ given	Date of passing of Board Resolution	For Loans	
							Rate of Interest	Date of maturity
Corporate Guarantee	Guarantee issued against work order received	23-09-2025	Mahan Energen Limited	34.43	23-09-2025 to 31-03-2028	11-11-2023		
Corporate Guarantee	Guarantee issued against work order received	02-03-2026	Mirzapur Thermal Energy (UP) Private Limited	20.60	02-03-2026 to 01-01-2029	11-11-2023		
Corporate Guarantee	Guarantee issued against work order received	29-09-2025	Deoghar Ring Road Project Private Limited	455.00	29-09-2025 to till receipt of 2nd Annuity from NHAI	22-05-2025	NA	NA
Investment	Subscription to MOA	09-04-2025	PM Green Private Limited	0.01	NA	10-02-2025	NA	NA
Investment	Subscription to MOA	01-05-2025	Deoghar Ring Road Project Private Limited	0.01	NA	10-04-2025	NA	NA
Investment	Subscription to MOA	16-07-2025	Suryatna Projects Private Limited	0.01	NA	22-05-2025	NA	NA

Note: The aggregate investments made as on March 31, 2026 has been provided in the financial statement vide note no.5

For and on behalf of the Board

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

Place: Hyderabad
Date: August 8, 2026

Annexure- 5

DISCLOSURES UNDER REGULATION 34(3) READ WITH SCHEDULE V OF THE LISTING REGULATIONS

Related Party Disclosure:

1 Loans and advances in the nature of loans to subsidiaries by name and amount

S. No	Name of the Subsidiary	Loans / Advances/ Investments	Amounts at the year ended 2025 - 26	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2025-26
1	Power Mech Industri Private Limited	Loan	6.39	18.07
2	Power Mech SSA Structures Private Limited	Loan	2.25	2.25
3	KBP Mining Private Limited	Loan	55.25	55.25
4	Kalyaneswari Tasra Mining Private Limited	Loan	126.47	126.47
5	Vindyavasini Mining Works LLP	Loan	55.66	62.31
6	Vanshika Mining Works LLP	Loan	49.94	49.94
7	Kailash River Bed Minerals LLP	Loan	40.82	52.63
8	Velocity Mining Works LLP	Loan	59.79	59.79
9	Deoghar Ring Road Projects Private Limited	Loan	23.05	23.05
10	Suryatna Projects Private Limited	Loan	3.78	3.78
11	PM Green Private Limited	Loan	0.63	0.63
12	Hydro Magus Private Limited	investment	2.94	2.94
13	Power Mech Industri Private Limited	Investment	4.31	4.31
14	Power Mech Projects Limited LLC	Investment	3.02	3.02
15	Power Mech BSCPL Consortium Private Limited	Investment	0.01	0.01
16	Power Mech SSA Structures Private Limited	Investment	0.10	0.10
17	Aashm Avenues Private Limited	Investment	-	0.10
18	Power Mech Environmental Protection Private Limited	Investment	-	0.01
19	Energy Advisory and Consulting Services Private Limited	Investment	-	0.01
20	KBP Mining Private Limited	Investment	0.01	0.01
21	Kalyaneswari Tasra Mining Private Limited	Investment	0.01	0.01
22	Kailash River Bed Minerals LLP	Investment	0.01	0.01
23	PMTS Private Limited.	Investment	0.01	0.01
24	Power Mech Projects (BR) FZE	Investment	0.69	0.69
25	Power Mech Arabia Contracting Company	Investment	0.87	0.87
26	Deoghar Ring Road Projects Private Limited	Investment	0.01	0.01
27	PM Green Private Limited	Investment	0.01	0.01
28	Suryatna Projects Private Limited	Investment	0.01	0.01
29	KBP Mining Private Limited.	Debentures	0.01	0.01

2 Loans and advances in the nature of loans to Associates by name and amount

S. No	Name of the Subsidiary	Loans / Advances/ Investments	Amounts at the year ended 2025 - 26	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2025 - 26
1	GTA Power Mech Nigeria Limited	Investment	0.32	0.32
2	GTA Power Mech DMCC	Investment	0.09	0.09
3	MAS Power Mech Arabia	Investment	2.26	2.26
4	Power Mech LLC Qatar	Investment	0.12	0.12
5	GTA Power Mech FZE	Loan	0.72	0.72

3 Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

S. No	Name of the Subsidiary	–	Amounts at the year ended 2025 - 26	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2025 - 26
–	NIL	–	–	–

4 Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan

S. No	Name of the Subsidiary	–	Amounts at the year ended 2025 - 26	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2025 - 26
–	NIL	–	–	–

For and on behalf of the Board

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

Place: Hyderabad
Date: August 8, 2026

Annexure-6

Annual Report on CSR Activities for the FY 2025-26 (As per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. **Brief outline on CSR Policy of the Company**

   The Company has an approved Corporate Social Responsibility Policy which is placed on the website of the Company at: https://powermechprojects.com/codes-policies/. The Company proposes to adopt projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as amended from time to time and as stated in the Corporate Social Responsibility Policy.

2. **Composition of the CSR Committee:**

S. No	Name	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Lakshmi Sajja	Chairperson, Non-Executive Director	1	1
2.	Mr. Kishore Babu Sajja	Member, Chairman and Managing Director	1	1
3.	Mrs. Lasya Yerramneni	Member, Non- Executive Independent Director (upto June 26, 2026)	1	1
4.	Mr. Bontha Prasada Rao	Member, Non- Executive Independent Director (w.e.f June 26, 2026)	NA	NA

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   Composition of the CSR committee is available on the Company's website on at: https://powermechprojects.com/committees/ and CSR Policy at: https://powermechprojects.com/codes-policies/

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

S. No	Financial Year	Amount available for set-off from preceding financial years (in ₹ in Cr)	Amount required to be set-off for the financial year, if any (in ₹ in Cr)
1.	2023-24	0.13	0.13
2.	2024-25	0.15	0.15

6. **Average net profit of the company as per section 135(5): ₹ 352.29 Crores**

7. (a) Two percent of average net profit of the company as per section 135(5): **₹7.05 Crores**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

   (c) Amount required to be set off for the financial year, if any: **₹ 0.28 Crores**

   (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 6.76 Crores**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Unspent (₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.85	Nil	-	-	Nil	-

   (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
SL No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project. (District and State)	Amount spent for the project (₹ in crores)	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency. Name	CSR Registration number
1	Healthcare Support	(i)	yes	Multiple location across India	0.45	Yes	NA	NA
2	Poverty Eradication	(i)	Yes	Dhanbad district, Jharkhand	0.01	Yes	NA	NA
3	Woman Empowerment	(iii)	Yes	Multiple location across India	0.51	Yes	NA	NA
4	Woman Empowerment	(iii)	Yes	Dhanbad district, Jharkhand	0.25	No	Adarsh Mahila Swarojgar Kendra	CSR00051304
5	Education Support	(ii)	Yes	Multiple location across India	0.47	Yes	NA	NA
6	Education Support	(ii)	Yes	Hyderabad, Telangana	0.10	No	International Startup Foundation	CSR00073726
7	Education Support	(ii)	No	Gulbarga, Karnataka	2.00	NO	Karnataka Peoples Education Society	CSR00059525
8	Education Support	(ii)	Yes	Hyderabad, Telangana	0.04	No	Little Plant Trust	CSR00092091
9	Education Support	(ii)	Yes	Bengaluru, Karnataka	0.25	No	Janaseva Trust	CSR00024951
10	Rural Development	(x)	Yes	Multiple locations in the state of Telangana and Andhra Pradesh	1.23	No	Purnachandra Foundation	CSR00047097
11	Skill Development and Poverty Eradication	(ii),(i)	Yes	Multiple locations	1.53	No	Power Mech Foundation	CSR00009836
	Total				**6.85**			

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹6.85 Crores**

(g) Excess amount for set off, if any: **₹ 0.28 Crores**

(0.13 crores pertaining to FY 2023-24 and 0.15 crores pertaining to FY 2024-25)

S. No	Particular	Amount (₹ Crores)
i	Two percent of average net profit of the company as per section 135(5)	7.05
ii	Total amount spent for the Financial Year	6.85
iii	Excess amount spent for the financial year [(ii)-(i)]	(0.20)
iv	Excess amount spent for the previous financial years	0.28
v	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
vi	Amount available for set off in succeeding financial years [(iii)+(iv)-(v)]	0.08

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable since No capital asset was created or acquired**.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

N. Nani Aravind
Chief Financial Officer

Kishore Babu Sajja
Chairman & Managing Director
DIN: 00971313

Lakshmi Sajja
Chairperson of the Committee
DIN: 00068991

Place: Hyderabad
Date: August 08, 2026

Annexure-7

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

TO
THE MEMBERS,
POWER MECH PROJECTS LIMITED,
HYDERABAD.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **POWER MECH PROJECTS LIMITED** (hereinafter referred to as "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2026**, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company according to the provisions of:

(i) The Companies Act, 2013 ("the Act") (applicable sections as on date) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed by the Securities and Exchange Board of India ('SEBI') thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investments

(v) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Hereinafter referred as "Listing Regulations")

   d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

   e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(vi) The provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report: -

   a. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

   c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(vii) The industry-specific laws that are applicable to the Company are as follows:

   a. The Contract Labour (Regulation and Abolition) Act, 1970;

   b. Building and Other Construction Workers (Regulation of Employment and condition of service) Act, 1996;

I have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards **SS-1** and **SS-2** with respect to the meetings of the Board of Directors and General meetings, respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

I report that, during the period under review, the Company has duly complied with the provisions of the Companies Act, 2013, Regulations of SEBI, and other acts applicable to the industry of the Company, as specified above except the following:

I further report that the Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The following changes took place in the composition of the Board during the financial year under review and till the date of this Report:

S. No	Name of the Director/KMP	Appointment/ Cessation/ Reappointment	Our Comments
1.	Mr. Bontha Prasada Rao	Appointment	Appointed as an Additional Director vide Board Resolution dated 8th August 2025 and regularized as an Independent Director of the Company at 26th AGM held on 22nd September 2025 w.e.f. 8th August 2025.
2.	Mr. Rohit Sajja	Appointment	Appointed as an Additional Director and Whole-time Director vide Board Resolution dated 8th August 2025 and regularized as a Director and Whole-time Director of the Company at 26th AGM held on 22nd September 2025 w.e.f. 8th August 2025.
3.	Mr. Kishore Babu Sajja	Re-appointment	Reappointed as the Managing Director of the Company for a period of 5 Years at 26th AGM held on 22nd September 2025 w.e.f. 1st April 2026.
4.	Mrs. Lakshmi Sajja	Re-appointment	Re-appointed as a director at 26th AGM held on 22nd September, 2025 upon retirement by rotation in accordance with the provisions of Section 152 Companies Act, 2013.
5.	*Ms. Lasya Yerramneni	Cessation	Ceased to be an independent director w.e.f. 26th June 2026.
6.	*Ms. Vasundhara Sinha	Appointment	Appointed as an Additional Director vide Board Resolution dated 20th June 2026.

*These changes took place after the closure of FY:2025-26, and upto the date of the report.

Based on our verifications and the declarations received from the respective directors, we further report that none of the directors are disqualified to act as such under the provisions of the Companies Act, Orders/ Circulars/ Regulations issued by SEBI, or such other acts for the time being enforceable.

Adequate notice was given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As a general practice of the Board, decisions were taken on unanimous consent.

I further report that no prosecution was initiated against and no fine or penalty was imposed on the Company for the year under review under the Companies Act, FEMA, the SEBI Act, the SCRA, or other SEBI Regulations on the Company or its directors and officers.

I further report that there are adequate systems and processes in the Company, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that, during the year under review, in terms of the provisions of Section 124(5) of the Act, an amount of Rs.84,726.00 being the Unclaimed Dividend of FY 2017-18, was transferred to the Investor Education and Protection Fund.

I further report that in terms of the provisions of section 124(6) of the Act, 593 equity shares belonging to 13 shareholders were transferred to the Investor Education and Protection Fund (IEPF). After affecting this transfer and claims, if any, settled, 1,037 shares were lying in the IEPF account as on March 31, 2026.

I further report that in terms of the provisions of Regulation 39(4) of Listing Regulations, during the year under review the Company has transferred 336 shares to 1 shareholder out of the **"Power Mech Projects Limited Bonus Escrow Suspense Demat Account"**. After effecting this claim settlement, 5,311 shares were lying in the said account as on March 31, 2026.

I further report that in terms of provisions of section 135 of the Act, the Company has spent ₹704.57 lakhs as against the amount of ₹704.57 lakhs required to be spent for the year under review.

CS D.S.RAO: PCS
M. No. A12394
C.P. No. 14487
Date: August 8, 2026 UDIN: A012394H001044557
Place: Hyderabad PEER REVIEW CER NO. 1817/2022

Note: This report is to be read with our letter of even date which is annexed as **'Annexure A'** and forms an integral part of this report.

Annexure A

To,
The Members,
Power Mech Projects Limited
Hyderabad

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed such audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the Financial Records and Books of Accounts of the Company.

4. Wherever required, we have obtained Management Representation about the compliance of laws, rules, and regulations and happening of events, etc.

5. Compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS D.S.RAO: PCS
M. No. A12394
C.P. No. 14487
UDIN: A012394H001044557
PEER REVIEW CER NO. 1817/2022

Date: August 8, 2026
Place: Hyderabad

Annexure-8

Details in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of remuneration of each director to the median remuneration of the employees and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary of the Company for the financial year:

S. No	Name of the Director/KMP, Designation	Ratio of remuneration to the median remuneration of the employees	Percentage increase in remuneration
1	Mr. Sajja Kishore Babu, Chairman and Managing Director	*693.11	-8.16
2	Mr. Sajja Rohit, Whole-time Director (w.e.f August 8, 2025)	*311.10	NA
3	Mrs. Sajja Lakhsmi, Non-executive Director	Nil	Nil
4	Mr. M. Rajiv Kumar, Non-executive Director	15.29	Nil
5	Mr. Vivek Paranjpe, Independent Director	Not Applicable	Not Applicable
6	Mr. Jayarama Prasad Chalasani, Independent Director		
7	Mrs. Lasya Yerramneni, Independent Director (upto June 26, 2026)		
8	Mr. B. Prasada Rao, Independent Director (w.e.f August 8, 2025)		
9	Mrs. Vasundhara Sinha, Independent Director (w.e.f June 20, 2026)		
9	Mr. Raghavendra Prasad, Company Secretary		10%
8	Mr. N. Nani Aravind, Chief Financial Officer		Nil

Note: Independent Directors were paid sitting fees for attending the Meetings.

* Increase in remuneration is due to increase in commission linked to profits.

(ii) The percentage increase in the median remuneration of employees in the financial year: Not applicable as there is no increase in the median remuneration of employees (but decreased by 20.78)

(iii) The number of permanent employees on the rolls of Company: There were 9,964 permanent employees on the rolls as on March 31, 2026.

(iv) The average percentage increase already made in the salaries of employees other than managerial personnel was 7.48%

Percentile increases in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not applicable

There has been no increase in the managerial remuneration during the last financial year (but CMD's remuneration was decreased by 8.16).

(v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

(vi) Particulars of Employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No	Name & Designation	Nature of Employment	Qualification and Experience	Age in years	Date of Joining	Remuneration received (₹ in lakhs)	The last employment held before joining the Company	The % of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule(2) of Rule 5 (i.e., more than 2%)	Whether the employee is a relative of any director or manager of the company
1	Sajja Kishore Babu, Chairman and Manging Director	Contractual	B.Tech (Mechanical), 38 years	59	22-07-1999	2,066.84	Indwell Constructions Private Limited	Not Applicable	No
2	Priyakarprabhat Saxena, Vice President	Permanent Employment	B.Tech (Mineral Engineering), 23 years	48	16-09-2024	115.81	Jindal Steel & Power Limited	Not Applicable	No
3	Nani Aravind Nallamothu, Chief Financial Officer	Permanent Employment	Chartered Accountant, Enterprise Risk Management (ERM), 24 years	49	15-12-2023	99.77	BSCPL Infrastructure Limited	Not Applicable	No
4	Sajja Rohit, Whole Time Director	Permanent Employment	B. Tech, Master of Science, MBA Finance &HR, 8 years	36	20-09-2018	959.48	-	5.03%	Yes
5	Tata Srinivasa Prasad, Sr. Vice President	Permanent Employment	M. Tech, IBBI, LLB, 36 years	58	30-04-2025	69.03	Macquarie Group	Not Applicable	No
6	Srinivasan Selvaraj, Executive Director (non-Board)	Permanent Employment	B.E (Electrical & Electronics) & 34 years	56	07-12-2024	62.56	Bharat Heavy Electricals Limited (BHEL)	Not Applicable	No
7	Akhil Kapoor, Sr. Vice President	Permanent Employment	Electronics & Communication Engineering, 37Y	58	08-07-2021	55.80	STEAG Energy Services India	Not Applicable	No
8	Babu Gogineni, Vice President	Permanent Employment	DME, 33 years	55	22-07-1999	53.77	-	Not Applicable	No
9	Devireddy Venkata Krishna Reddy, Sr.General Manager	Permanent Employment	Company Management IICA, 18 years	44	08-06-2024	54.49	Larsen & Toubro Ltd. & BGR Energy Systems Limited	Not Applicable	No
10	Arvind Kumar Chaurasia & Vice President	Permanent Employment	Diploma in Civil Engineering, 30 years	58	24-09-2025	53.85	Reliance Power Limited	Not Applicable	No
11	Amin Vijay Kumar Jayantibhai, General Manager	Permanent Employment	B. Tech (Mechanical Engineering), 31 years	58	01-11-2024	48.87	Korea Electric Power Corporation	Not Applicable	No
12	Deepak Gupta, Associate VP	Permanent Employment	B. Tech, Electrical & PGDM in Finance from IMT, 19 years	40	03-11-2025	31.44	Hindustan Power Projects Ltd	Not Applicable	No

Corporate Governance Report

[Pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")]

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the report contains the details of Corporate Governance systems and processes at Power Mech Projects Limited ("PMPL/the Company").

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as applicable, with regard to corporate governance and also the Guidance Note on Board Evaluation as prescribed by the Securities and Exchange Board of India (SEBI).

1) Company's Philosophy on Code of Governance:

Effective corporate governance practices form the strong foundation upon which successful commercial enterprises are built to last. Our company's philosophy on corporate governance involves overseeing business strategies while ensuring fiscal accountability, ethical behaviour, and fairness to all stakeholders, including employees, investors, customers, regulators, suppliers, and society at large. Good governance practices arise from the dynamic culture and positive mindset of the organization.

At Power Mech, corporate governance goes beyond mere compliance with laws, rules, and regulations. It involves applying the best management practices and adhering to the highest ethical principles in all dealings. This approach aims to achieve the company's objectives, enhance stakeholder value, and fulfil social responsibilities.

2) Board of Directors

(a) Composition and Category of Directors:

The Board has an optimum combination of Executive, Non-Executive, Independent and Woman Directors. The composition of the Board of Directors is in accordance with Regulation 17 of the SEBI (Listing Regulations) 2015.

The details of the Board of directors including their attendance at the meetings of Board and shareholders and directorships / chairmanships / memberships on the Boards /Committees of other Companies as required under regulation no. 34 read with schedule V of Listing Regulations are as below:

Name	DIN	Category of Directorship	No. of Board Meetings		Attendance at the last AGM	No of directorships in other Companies		Committees in which a director is a member or Chairperson in other Companies	
			Held	Attended		Private	Public	Chairmanship	Membership
Mr. Kishore Babu Sajja	00971313	Executive Director (Promoter)	5	5	Yes	2	0	-	-
Mrs. Lakshmi Sajja[e]	00068991	Non-executive Director (Promoter)	5	5	Yes	2	0	-	-
Mr. Rohit Sajja[a]	02622634	Executive Director (Promoter)	5	3	Yes	6	0	-	-
Mr. M. Rajiv Kumar	07336483	Non-executive Director	5	5	Yes	0	0	-	-
Mr. Jayarama Prasad Chalasani	00308931	Independent Director	5	5	Yes	1	1	-	1
Mr. Vivek Paranjpe	03378566	Independent Director	5	5	Yes	0	0	-	-
Mrs. Lasya Yerramneni[b]	03150397	Independent Director	5	5	Yes	0	0	-	-
Mr. Bontha Prasad Rao[c]	01705080	Independent Director	5	3	Yes	0	5	3	5
Mrs. Vasundhara Sinha[d]	11566123	Independent Director	5	-	NA	0	0	0	0

a Mr. Rohit Sajja appointed as Whole-time Director w.e.f. August 8, 2025

b Mrs. Lasya Yerramneni retired from the office of directorship w.e.f the closure of business hours on June 26, 2026

c Mr. Bontha Prasad Rao appointed as Independent Director w.e.f. August 8, 2025

d Mrs. Vasundhara Sinha appointed as Independent Director w.e.f. June 20, 2026

e Mrs. Lakshmi Sajja resigned as Non-Executive Director w.e.f. August 8, 2026

All Directors are in compliance with the limits and other conditions as prescribed under Regulation 16, 17A, 26 and other applicable Regulations, whichever is applicable, of the Listing Regulations and None of the Directors on the Board is a Director of any other listed entity. Necessary disclosures regarding their Committee positions have been made by all the Directors.

The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on March 31, 2026.

(b) Number of meetings of the Board of directors held and dates on which held:

During the financial year, five (5) meetings of the Board of directors were held on April 10, May 22, August 8, November 10, 2025, and February 10, 2026, in compliance with provisions of the Act read with rules made thereunder, Secretarial Standards and the Listing Regulations.

(c) Meeting of Independent Directors:

A separate meeting of Independent Directors was held on February 25, 2026, inter-alia to review the performance of the Non-Independent Directors and the Board as a whole, review the performance of Chairperson of the Company and assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

In the opinion of the Board, all the Independent Directors of the Company possess integrity, expertise and the proficiency justifying their office and fulfil the conditions of Independent Director provided under the Listing Regulations and are independent of the management.

(d) Disclosure of relationship between Directors inter-se:

Except for Mr. Kishore Babu Sajja (Chairman and Managing Director), who is the father of Mr. Rohit Sajja (Whole-time Director), none of the other Directors are related to each other.

None of the other Directors are related to each other.

(e) Shares and Convertible Instruments held by Non-Executive Directors.

S. no.	Name of the Director	Number of Equity Shares (face value of ₹10/- each held in the Company)
1	Mr. M. Rajiv Kumar	500
2	Mr. Jayarama Prasad Chalasani	Nil
3	Mr. Vivek Paranjpe	Nil
4	Mr. Bontha Prasada Rao	Nil
5	Mrs. Vasundhara Sinha	Nil

(f) The detail of Familiarization programs:

The details of programs for familiarization of the Independent Directors together with other directors in relation to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and other related matters are made available on the website of the Company at the Web link: https://powermechprojects.com/codes-policies/

(g) List of core skills/expertise/competencies identified by the Board of directors:

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company:

- In-depth knowledge of the sector in which the Company is presently operating.
- Expertise in HR and Legal related matters.
- Sound knowledge of accounting, finance, banking etc.
- Experience in developing and implementing good corporate governance practices.
- Quality of leadership, planning, management, risk assessment etc.

Name of the Directors	Qualifications	Area of expertise and skills
Mr. Kishore Babu Sajja	Graduate in Mechanical Engineering	In-depth knowledge of the sector in which the Company is presently operating. Quality of leadership, planning, management, risk assessment etc.
Mr. Rohit Sajja	B.Tech (Mech) from VIT. Master's in Engineering Management from the University of Southern California. MBA from the University of Oxford.	Expertise in leadership, human resource management, planning, corporate governance, driving strategic growth and organizational excellence.
Mr. M. Rajiv Kumar	Graduate in Electrical Engineering	In-depth knowledge of the sector in which the Company is presently operating.
Mr. Jayarama Prasad Chalasani	B.E (Mechanical)	In-depth knowledge of the sector in which the Company is presently operating. Experience in developing and implementing good corporate governance practices.
Mr. Vivek Paranjpe	B. Sc. (Honors) and Postgraduate from XLRI	Expertise in HR and Legal related matters. Experience in developing and implementing good corporate governance practices.
Mr. Bontha Prasad Rao	B. Tech (Mech) from JNTU (Kakinada) PG in Industrial Engineering from NITIE, Mumbai.	Expertise in Planning & Development activity, Capacity & Capability building, Strategic & operational area and Public sector enterprise leadership
Mrs. Vasundhara Sinha	PG in Economics	Expertise across fiscal planning, strategic development, risk management, corporate governance, HR and regulatory compliance

(h) The Board of Directors, based on the declarations received from the Independent Directors hereby confirms that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

Further, pursuant to Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, all Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs and are in compliance with the related provisions from time to time.

(i) During the year under review, no independent director has resigned from the directorship of the Company before the expiry of his/her term of appointment.

(j) Code of Conduct

The Board has laid down two separate Codes of Conduct, one for all the Board Members and the other for Senior Management of the Company. These Codes have been posted on the Company's website at https://powermechprojects.com/codes-policies/ All the Board members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Chairman and Managing Director to this effect is enclosed at the end of this Report. The Code of Conduct for the Board of Directors of the Company has been amended in line with the provisions of the Companies Act, 2013, which includes Code for Independent Directors, which is a guide to professional conduct for Independent Directors of the Company pursuant to section 149(8) and Schedule IV of the Companies Act, 2013.

(k) CEO/CFO Certification

As required under the Listing Regulations, the Chairman and Managing Director (CMD) and Chief Financial Officer (CFO) of the Company have certified the Financial Statements for the year ended March 31, 2026, before submitting the same to the Board. CMD and CFO also furnish quarterly certification on Financial Statements while placing the Financial Statements before the Board in terms of Regulation 17(8). The Annual Certificate given by CMD and CFO forms part of the Annual Report.

3) Audit Committee (AC):

The Audit committee of the Board of directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

(a) Brief description of terms of reference:

The role and responsibility of the Audit Committee is as prescribed under the Act and the Listing Regulations from time to time.

(b) Composition, name of members and chairperson, meetings and attendance during the financial year 2025-26:

The members of the Committee are financially literate and have adequate accounting knowledge and the composition of the Audit committee and the details of meetings attended by its members are given below:

The Composition of the Audit Committee (as on date of this report) is as follows:

S. no.	Name of the Director	Category	Designation
1	Mrs. Vasundhara Sinha	Independent Director	Chairperson
2	Mr. M. Rajiv Kumar	Non-Executive Director	Member
3	Mr. Jayarama Prasad Chalasani	Independent Director	Member
4	Mr. Vivek Paranjpe	Independent Director	Member

The Audit Committee met four (4) times during the financial year 2025-26 on May 22, August 8, November 10, 2025 and February 10, 2026, and all members of the Audit Committee attended all meetings. Further, all the recommendations of the Audit Committee have been accepted by the Board of Directors.

4) Nomination and Remuneration Committee (NRC):

The NRC of the Board of directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

(a) Brief description of terms of reference:

The Roles, Functioning and Terms of reference of the NRC are as prescribed under the Act and the Listing Regulations from time to time. NRC determines the Company's policy on all elements of the remuneration packages of the directors including the executive directors.

(b) Composition, name of members and chairperson, meetings and attendance during the financial year 2025-26:

The Composition of NRC (as on date of this report) is as follows:

S. no.	Name of the Director	Category	Designation
1	Mrs. Vasundhara Sinha	Independent Director	Chairperson
2	Mr. Jayarama Prasad Chalasani	Independent Director	Member
3	Mr. M. Rajiv Kumar	Non-Executive Director	Member

The NRC met three (3) times during the financial year 2025-26 on May 22, August 8, and November 10, 2025, and all members of NRC attended all the meetings.

(c) Nomination and Remuneration policy:

The Company's remuneration policy for directors, key managerial personnel and other employees is placed on the Company's website under the web link: https://powermechprojects.com/codes-policies/

(d) Performance evaluation criteria for Independent directors:

The performance evaluation of Independent Director is done by the Board annually based on criteria of attendance and contributions at Board/ Committee meetings and also the roles played by them other than at meetings. The NRC had specified criteria for performance evaluation of Directors, Committees and Board as a whole and recommends the same to the Board for evaluation.

In line with Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman of the Board with specific focus on the performance and effective functioning of the Board, committees of the Board and individual directors and reported to the Board. The evaluation process also considers the time spent by each of the Directors, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of directors (excluding the director being evaluated) held the performance evaluation of Independent directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent directors.

Performance evaluation of Independent directors for the FY 2025-26 was done by the Board on May 20, 2026.

5) Stakeholders' Relationship Committee (SRC):

The SRC of the Board of directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

(a) Brief description of terms of reference:

The role of the SRC is as prescribed under the Listing Regulations from time to time.

(b) Composition, name of members and chairperson, Meetings and attendance during the financial year 2025-26:

The Composition of SRC (as on date of this report) is as follows:

S. no.	Name of the Director	Category	Designation
1	Mr. M. Rajiv Kumar	Non-Executive Director	Chairman
2	Mr. Sajja Rohit	Executive Director	Member
3	Mr. Bontha Prasada Rao	Independent Director	Member

During the financial year 2025-26, SRC met only once on May 22, 2025, and all members of SRC attended the meeting.

(a)	Name of non-executive Director heading the Committee	M. Rajiv Kumar, Non-executive Director chairs the SRC.
(b)	Name and designation of Compliance Officer	Mr. M. Raghavendra Prasad, Company Secretary
(c)	Number of Shareholders' complaints received in FY 2025-26	During the financial year 2025-26, the Company has not received any Investor Complaints.
(d)	Number of complaints not solved to the satisfaction of shareholders	Nil
(e)	Number of pending complaints	Nil

6) Risk Management Committee (RMC):

The RMC of the Board of directors was constituted in conformity with the requirements of Regulation 21 of the Listing Regulations.

(a) Brief description of terms of reference:

The functioning, terms of reference and the role of the Risk Management committee are as prescribed under the Listing Regulations from time to time.

(b) Composition, name of members and chairperson, Meetings and attendance during the financial year 2025-26:

The Composition of RMC (as on date of this report) is as follows:

S.no	Name of the Director	Category	Chairman / Member
1	Mr. Bontha Prasada Rao	Independent Director	Chairman
2	Mr. Jayarama Prasad Chalasani	Independent Director	Member
3	Mr. M. Rajiv Kumar	Non-Executive Director	Member
4	Mr. Kishore Babu Sajja	Executive Director	Member

During the financial year 2025-26, RMC met twice on May 22, 2025 and November 10, 2025.

7) Senior management:

Particulars of senior management of the Company including the changes therein since the close of the previous financial year are as follows:

S. no.	Name	Designation	Changes, if any
1	Mr. Nani Aravind Nallamothu	Chief Financial Officer	--
2	Mr. M. Raghavendra Prasad	Company Secretary and Compliance Officer	--

8) Remuneration of Directors:

(a) All pecuniary relationship or transactions of the non-executive directors:

During the year under review, there were no pecuniary transactions with any of the Non-Executive Directors, except payment of remuneration by way of consulting fee to Mr. M. Rajiv Kumar, Non-Executive Director.

(b) Criteria of making payments to non-executive directors:

The Company compensates its Non-Executive and Independent Directors through the following mechanisms:

- **Sitting Fees:** Paid for attending meetings of the Board and its Committees, structured in a manner as approved by the Board from time to time.
- **Commission:** Effective from the Financial Year 2025–26, an annual commission of ₹10,00,000 (Rupees Ten Lakhs Only) per Independent Director (applicable to both current and future appointees), subject to the approval of shareholders at the upcoming Annual General Meeting (AGM).

i. Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013:

(i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc. for the FY 2025-26:

Name of the Director	Sitting Fee (Board & Committee meetings) (₹)	Salaries (₹)	Perquisites and allowances (₹)	Commission and incentive as approved by general body (₹)	Bonuses, stock options, pension and other benefits (₹)	Total (₹)
Mr. Kishore Babu Sajja	-	1,80,00,000	-	18,86,84,189	-	20,66,84,189
Mrs. Lakshmi Sajja	-	-	-	-	-	-
Mr. Rohit Sajja	-	1,00,96,001	-	8,26,73,676	-	9,27,69,677
Mr. M. Rajiv Kumar	-	-	-	-	45,60,000	45,60,000
Mr. Jayarama Prasad Chalasani	8,25,000	-	-	-	-	8,25,000
Mr. Vivek Paranjpe	4,50,000	-	-	-	-	4,50,000
Mrs. Lasya Yerramneni	6,75,000	-	-	-	-	6,75,000
Mr. Bontha Prasada Rao	2,25,000	-	-	-	-	2,25,000

(ii) Details of fixed component and performance linked incentives, along with the performance criteria: No director was allowed any fixed or performance linked incentives except as stated above.

(iii) Service contracts, notice period, severance fees:

There are neither specific contracts nor any severance fees. Terms of appointment are as decided by the Board and General Body from time to time.

(iv) Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable:

The Company has no options outstanding as at the beginning of the year and has not granted any stock options to the directors during the financial year 2025-26.

9) General Body Meetings.

(a) Location and time, where the last three AGMs held: The following are the details of the last three Annual General Meetings held:

Financial Year	Date & time	Venue	Special resolution(s) Passed	Special resolution(s) Number
2024-25	September 22, 2025, at 10.00 a.m. (IST)	The Company conducted this AGM through VC / OAVM pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM.	Yes	4
2023-24	September 27, 2024, at 10.00 a.m. (IST)	The Company conducted this AGM through VC / OAVM pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM.	Yes	2
2022-23	September 28, 2023, at 11.00 a.m. (IST)	The Company conducted this AGM through VC / OAVM pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM.	Yes	4

(b) Postal Ballot: During the financial year 2025-26, only one resolution was passed by the shareholders through postal ballot.

Increase the Borrowing Powers and Creation of Security									
ASSENT			DISSENT			ABSTAINED/ INVALID		SUMMARY	
No. of Share holders	No. of Shares	% Of Valid Votes Cast	No. of Share holders	No. of Shares	% Of Valid Votes Cast	No of Share holders	No of Shares	No of Shareholders Participated in voting	No of Shares held
273	2,34,81,937	87.64	96	33,10,296	12.36	5	3,154	369*	26795387

* 3 Shareholders exercised voting for some shares and abstained for some shares.

The Board of Directors of the Company, at their meeting held on November 10, 2025, appointed Mr. D.S. Rao (ACS 12394; CP no.: 14487) Practicing Company Secretary, Hyderabad as the Scrutinizer for conducting the postal ballot through the e-voting process in a fair and transparent manner, in accordance with the applicable provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10) Means of Communication.

(a) Quarterly results:

The quarterly results of the Company are published in accordance with the requirements of the Listing Regulations.

The Annual reports with audited financial statements are sent to the shareholders through permitted mode.

(b) Newspapers wherein results normally published:

The results are normally published by the Company in the newspapers (Financial Express) in English version, circulating in the whole of India and in regional newspaper (Nava Telangana).

(c) Website:

Financial Results, Annual Reports, Announcements, Investor information, Policies etc., are displayed on the Company's website: https://powermechprojects.com/investor-relations/

(d) Whether it also displays official news releases:

Official news releases/ press releases are displayed on the Company's website: https://powermechprojects.com/announcements/

(e) Presentations made to institutions investors or to the analysts:

The presentations made to the investors/ analysts are placed on the Company's website https://powermechprojects.com/investor-presenations/

11) General shareholder Information:

(a) Annual General Meeting date, time and venue:

Date	September 17, 2026
Time	9:30 a.m. (IST)
Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the notice of this AGM.

(b) Financial year:

The financial year of the Company starts from 1st April every year and ends on 31st March of subsequent year.

(c) Dividend payment date:

The final dividend for the FY 2025-26, if approved by the members, will be paid/credited within 30 days from the date of such approval.

(d) The name and address of each stock exchange(s) at which the listed entity's securities are listed are:

National Stock Exchange of India Ltd Exchange Plaza, 5th Floor Plot No.C/1, 'G' Block Bandra-Kurla Complex Bandra(E), Mumbai - 400 051	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001

The Annual Listing fee was remitted to the above stock exchanges upto FY 2026-27.

(e) There was no suspension of trading in Securities of the Company during the year under review.

(f) Registrars and Share Transfer Agents:

Venture Capital and Corporate Investments Private Limited
AURUM", Door No. 4-50/P-II/57/4F & 5F,
Plot No. 57, 4th & 5th Floors, Jayabheri Enclave Phase – II,
Gachibowli, Hyderabad – 500 032
Phone no.: +91 040 23818475 / 23818476
Email ID: investor.relations@vccipl.com;
Website: https://www.vccipl.com/

(g) Share Transfer system

As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL / CDSL through their depository participants.

Venture Capital and Corporate Investments Private Limited is the Common R&T Agent for both physical and dematerialised mode. All queries and requests relating to share transfers/ transmissions may be addressed to our Registrar and Transfer Agent.

(h) Distribution of Shareholding as on March 31, 2026:

Shareholding of nominal value of (₹)		Shareholders		Share Amount	
		*Number	% to Total	In (₹)	% to Total
1	5,000	77,559	98.40	2,42,91,140	7.68
5,001	10,000	616	0.78	45,47,540	1.44
10,001	20,000	306	0.39	44,31,230	1.40
20,001	30,000	99	0.13	24,62,640	0.78
30,001	40,000	50	0.06	17,69,030	0.56
40,001	50,000	31	0.04	14,15,180	0.45
50,001	1,00,000	59	0.07	42,82,500	1.35
1,00,001 and above		99	0.13	27,29,63,660	86.34
TOTAL		**78,819**	**100.00**	**31,61,62,920**	**100.00**

* No. of shareholders based on grouping of PAN.

(i) Dematerialization of shares and liquidity:

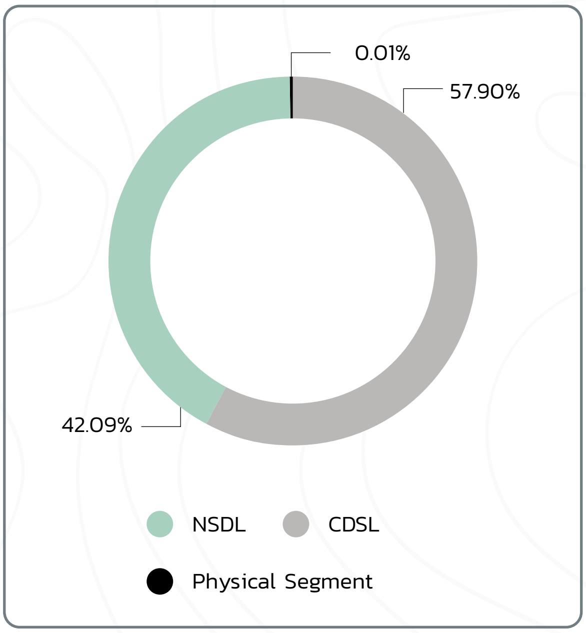
Dematerialization of shares as on March 31, 2026:

Number of shares	% of total Shares	Number of shareholders
3,16,12,096	99.99	77,350

* No. of shareholders based on grouping of PAN.

The break-up of equity shares in demat and physical form as on March 31, 2026, is as follows:

Particulars	No. of equity shares of ₹ 10/- each	% of Shares
Demat Segment		
NSDL	1,33,07,061	42.09
CDSL	1,83,05,035	57.90
Physical Segment	4,196	0.01
Total	**3,16,16,292**	**100.00**



(j) Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Nil

(k) Commodity Price Risk or Foreign Exchange risk and hedging activities:

The Company does not carry on any Commodity Business and has also not undertaken any hedging activities; hence same are not applicable to the Company.

(l) Plant Location(s): Not applicable

(m) Address for correspondence

Company:
The Company Secretary and Compliance Officer
Power Mech Projects Limited,
Plot No 77, Jubilee Enclave, Opp. Hitex,
Madhapur, Hyderabad -500081,
Telangana, INDIA,
Phone No.: 040-30444444; Fax: 040-30444400
Email id: cs@powermech.net

Registrar and Share Transfer Agents:
Venture Capital and Corporate Investments Private Limited
AURUM", Door No. 4-50/P-II/57/4F & 5F,
Plot No. 57, 4th & 5th Floors, Jayabheri Enclave Phase – II,
Gachibowli, Hyderabad – 500 032
Phone no.: +91 040 23818475 / 23818476
Email ID: investor.relations@vccipl.com;
Website: https://www.vccipl.com/

(n) Credit Ratings obtained along with any revisions thereto:

CARE Reaffirmed the credit ratings for total bank loan facilities of the Company as follows:

Long Term Bank Facilities	: CARE A+; Stable
Long Term / Short Term Bank Facilities	: CARE A+; Stable / CARE A1
Short Term Bank Facilities	: CARE A1

12) Other Disclosures:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.

During the year 2025-26, there was no materially significant related party transaction which had potential conflict with the interests of the Company at large. The details of the related party transactions are disclosed in the notes to accounts forming part of the Annual Report. In terms of Regulation 23 of the Listing Regulations, the Board has formulated a Related Party Transaction Policy and the same is made available on the website of the Company at: https://powermechprojects.com/codes-policies/

Related party disclosure as prescribed in Para A to Schedule V of the Listing Regulations is not applicable to the Company as there were no transactions in the nature of loans/ advances with the subsidiary Companies.

(b) The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities. None of the Company's listed securities is suspended from trading.

(c) The Company has established a mechanism for Whistle Blower Policy and no personnel had been denied to access the Audit Committee. The Policy is placed on the website of the Company under the web link: https://powermechprojects.com/codes-policies/

During the year under review, no complaints were received under this mechanism.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company is in compliance with all the mandatory requirements enumerated in the Listing Regulations and the Act read with rules made thereunder.

(e) The Company had formulated a policy for determining 'material' subsidiaries and the policy is available on the Company's website under the web link: https://powermechprojects.com/codes-policies/

(f) The Board has formulated a policy for related party transactions and revised it in light with the Listing Regulations and including any statutory modification and re-enactment thereof which is available on the Company's website under the web link: https://powermechprojects.com/codes-policies/

(g) The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the year under review, there were no funds raised through preferential allotment or qualified institutions placement.

(i) A certificate from a Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority has been enclosed separately to this report.

(j) Whether the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year: No

(k) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: ₹ 27.65 lakhs

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year : **Nil**

b. number of complaints disposed of during the financial year : **NA**

c. number of complaints pending as on end of the financial year : **Nil**

(m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ Companies in which directors are interested by name and amount': Nil and Not Applicable.

(n) Details of material subsidiaries of the listed entity: Nil

(o) Non-compliance of any requirement of corporate governance report as prescribed in the Listing Regulations - Nil

(p) The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

Discretionary Requirements

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board:

Since the Chairperson is an Executive Chairman, the maintenance of an Office by the Non-executive Chairperson at the Company's expense is not applicable.

ii. Shareholders' rights:

All the quarterly/ half-yearly/ yearly financial results are submitted to both the stock exchanges and are simultaneously placed on the website of the Company at: https://powermechprojects.com/power-mech-financial-results/ apart from publishing the same in the newspapers.

iii. There are no modified opinions in the Audit Reports.

iv. Reporting of internal auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly.

v. Meeting of Independent Director:

During the financial year 2025-26, one meeting of Independent Directors was held on February 25, 2026, without the presence of non-independent directors and members of the management and all the independent directors participated in that meeting.

(q) The disclosures of the compliance with corporate governance report specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46	Website	Yes

Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges:

As required under Regulation 30 of the Listing Regulations, the Board of directors of the Company approved the Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges and has been hosted on the website of the Company at the following link: https://powermechprojects.com/codes-policies/

Preservation of Documents:

The Company adopted the policy on preservation of documents in accordance with the Regulation 9 of the Listing Regulations, which was placed on the Website of the Company at https://powermechprojects.com/codes-policies/

Corporate governance requirements with reference to Subsidiary Companies:

Pursuant to Regulation 24 of Listing Regulations, the financial statements, significant transactions, investments and the minutes of the Board meetings of the subsidiary companies are considered at the meetings of the Audit committee / Board of directors of the Company, as the case may be.

Prohibition of Insider trading:

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct for Prohibition of

Insider Trading. This Policy also provides for periodical disclosures from the designated employees as well as pre-clearance of transactions by such persons.

The code is applicable to all Insiders who are likely or may reasonably be expected to have access to unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

Website:

The Company's website https://powermechprojects.com/ contains a separate dedicated section: "Investors Relations", where shareholders' information is available. The Annual report of the Company is also available on the website in a user-friendly and downloadable form.

SEBI Complaints Redress System (SCORES):

The Investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Compliance certificates:

A compliance certificate under Regulation 17(8) of the Listing Regulations, signed by the Company's Chairman and Managing Director and Chief financial Officer is enclosed separately to this Report.

Further, another compliance certificate from Mr. D. S. Rao, Practicing Company Secretary, regarding compliance of conditions of corporate governance pursuant to para-E of Schedule V to Listing Regulations is enclosed separately to this Report.

Disclosures in respect of demat suspense account/ unclaimed suspense account as on March 31, 2026:

Pursuant to Regulation 294(6) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and other SEBI directions, 7,239 bonus equity shares (issued in the month of October 2025) relating to the shareholders who were having shares in physical mode and other rejection case(s) have been transferred to **"Power Mech Projects Limited Bonus Escrow Suspense Demat Account"** being maintained with RPL Securities Private Limited.

In accordance with the requirement of Clause F of Schedule V of Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense demat account:

Particulars	No. of Shareholders	No. of Equity Shares of ₹10/- each
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2025.	22	5,647
Shareholders who approached the Company for transfer of shares from suspense account during the year	1	336
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	21	5,311

The voting rights on the shares outstanding in the suspense account as on March 31, 2026, shall remain frozen till the rightful owner of such shares claims the shares.

Details of utilization of funds raised through qualified institutions placement (QIP): During the year under review, an aggregate amount of ₹68.60 crore was utilized from the net proceeds of the QIP issue. Consequently, the unutilized QIP funds as of March 31, 2026, stand at ₹56.74 crore.

Disclosure of certain types of agreements binding listed entities: Nil

DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of Power Mech Projects Limited

I, Kishore Babu Sajja, Chairman and Managing Director of Power Mech Projects Limited, declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2026.

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

Place: Hyderabad
Date: May 20, 2026

COMPLIANCE CERTIFICATE

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We, the Chairman & Managing Director and Chief Financial Officer of Power Mech Projects Limited, certify that:

1. We have reviewed financial statements and the cash flow statement of the company, both Standalone and Consolidated, for the financial year ended March 31, 2026, and that to the best of our knowledge and belief:
   - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   - These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee:
   a) Significant changes in internal control over financial reporting during the year.
   b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
   c) That there have been no instances of significant fraud of which we have become aware, involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Power Mech Projects Limited**

Place: Hyderabad
Date: May 20, 2026

N. Nani Aravind
Chief Financial Officer

Kishore Babu Sajja
Chairman and Managing Director
DIN: 00971313

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Power Mech Projects Limited
Plot No 77, Jubilee Enclave,
Opp. Hitex, Madhapur,
Hyderabad -500081,

I have examined the compliance of the conditions of Corporate Governance by Power Mech Projects Limited (hereinafter referred to as "the Company") for the year ended **March 31, 2026**, as stipulated in Chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I conducted my examination of the Corporate Governance Report in accordance with the established systems and procedures selected by me depending on my judgement, including assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as I deem necessary to arrive at an opinion.

Based on the procedures performed by me as mentioned above and according to the information and explanations provided to me, I am in the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended **March 31, 2026**.

I further state that such compliance is neither an assurance as to the financial viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS D.S. RAO
Practicing Company Secretary
ACS No.:12394
CP. No.: 14487
UDIN: A012394G000964070
Peer review Cer. no.: 1817/2022

Place: Hyderabad
Date: August 8, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To
The Members
POWER MECH PROJECTS LIMITED
PLOT NO.77, JUBLEE ENCLAVE, OPP: HITEX,
MADHAPUR. HYDERABAD TG 500081.

We have examined the relevant records, forms, returns, and disclosures received from the directors of POWER MECH PROJECTS LIMITED having CIN: L74140TG1999PLC032156 and having registered office at Plot No.77, Jubilee Enclave, Opp: Hitex, Madhapur, Hyderabad TG 500081 (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause 10(i) of Para C of Schedule V to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and the explanations furnished to us by the Company & its officers, we hereby certify that none of the directors on the Board of the Company for the financial year ended March 31, 2026, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority.

Sr. No.	Name of Director	Nature/ Category of Directorship	Director Identification Number (DIN)
1	Sajja Kishore Babu	Chairman & Managing Director	00971313
2	*Lakshmi Sajja	Non-Executive Director	00068991
3	Rajiv Kumar Motihari	Non-Executive Director	07336483
4	&Lasya Yerramneni	Independent Director	03150397
5	Vivek Paranjpe	Independent Director	03378566
6	Jayarama Prasad Chalasani	Independent Director	00308931
7	#Prasada Rao Bontha	Independent Director	01705080
8	$Sajja Rohit	Whole-time Director	02622634
9	@Vasundhara Sinha	Additional Independent Director	11566123

*Lakshmi Sajja has ceased to be a non-executive director w.e.f. 08-08-2026 due to resignation.

&Lasya Yerramneni has ceased to be an Independent director w.e.f. 26-06-2026 due to resignation.

#Prasada Rao Bontha was appointed as an additional director on 08-08-2025 and was regularized as an Independent director w.e.f. 22-09-2025.

$Sajja Rohit was appointed as an additional director on 08-08-2025 and was re-designated as a Whole-time director w.e.f. 08-08-2025.

@Vasundhara Sinha was appointed was appointed as an additional Independent director on 20-06-2026.

Ensuring eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS D.S. RAO; PCS
M. No.: A12394
C.P. No.: 14487
UDIN: A012394H001044579
PEER REVIEW CER NO.: 1817/2022

Date: August 8, 2026
Place: Hyderabad

Financial Statements

Independent Auditors' Report

To the Members of
POWER MECH PROJECTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **POWER MECH PROJECTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of affairs of the Company as at 31st March, 2026, the Profit and total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SL. No	Key Audit matter	How the matter was addressed in our audit
1	**Revenue recognition of long-term contracts** The Company has revenue from construction contracts and long-term operating and maintenance agreements. Revenue related to these construction contracts is recognised using the percentage completion method, where progress is determined with reference to completion of physical proportion of the work to the extent of work certified by the customer and revenue is also recognised in case of works pending certification as on date of balance sheet. The Company raised invoices on monthly basis based on the physical proportion of the work completed. We focussed this area because of significant management judgement required in: Estimation of the physical proportion of the contract work completed for the contracts and particularly in case of those works which were pending for certification by the customer as on date of balance sheet which may lead to over or understatement of revenues and profit.	Our procedures in respect of recognition of construction contract revenue and related portion of work completed included the following: (a) Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to measurement sheets to confirm portion of work completed for recognition of contract revenue and review and approval thereof. (b) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers". As part of our audit, we obtained an understanding of the methodology applied, the internal process and controls used for determination of the physical proportion of work completed. We evaluated the process and systems used to record the quantum of work completed against which invoices were raised. In respect of construction projects, for selected samples of contracts, we obtained work completion certificates, measurement work sheets from project engineers and also obtained certificate of confirmations of work completed from customers to assess the appropriateness of management estimates of the physical proportion of work completed.

SL No	Key Audit matter	How the matter was addressed in our audit
		Further we also examined the payment advices received subsequent to the balance sheet date which confirms the extent of work completed and certified for which revenue was recognised. In case of those works which were pending certification as on date of balance sheet, we obtained payment advices from the customers related to the said works, post balance sheet date.
2	**Trade receivables** The Company has significant amount of trade receivables (Including retention and security deposits) and their recoverability requires management judgement due to the specific risks associated with these receivables. There is an element of management judgement in assessment of extent of the recoverability of long outstanding trade receivables after the end of the contractual credit period and determination of allowance for expected credit loss. Management assessed the recoverability of trade receivables by reviewing customers ageing profile, credit history, nature and ownership of organisation and status of subsequent settlements and determined whether an impairment provision is required. We considered this matter to be significant to our audit due to the quantum of the receivables and their period of outstanding.	Our audit procedures in relation to the recoverability of trade receivables included • Understood and tested the Company's credit control procedures and tested key controls over granting credit to customers. • Tested ageing of trade receivables at the year ended on a sample basis. • Obtained list of long outstanding receivables and identified any debtors with financial difficulty through discussion with management. • Assessed the recoverability of these outstanding receivables through our discussion with management and with reference to detailed receivables listings for the subsequent period. • Also examined the arrangements/correspondences with customers to assess the payment arrangement agreed with the customers and assessed the recoverability of the significant outstanding receivables. • Assessed the recoverability of the balances by comparing the outstanding amounts as at year end against subsequent recoveries. • The status and their organisational structure was also examined with reference to the credit risk and their creditability in making payments since most of the customers are public sector organisations. Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, project status, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any. Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables. Assessed the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III. Considering all these, we found that the judgment made by the management in assessment of recoverability of receivables are found to be appropriate.
3.	**Advances with sub-contractors** The Company has significant amount of Trade advances with Sub-contracts and their recoverability/adjustment against subsequent works carried requires management judgement due to the specific risks associated with these recoveries.	Our audit procedures in relation to the recoverability of trade advances to sub-contractors provided while execution of sub-contracts awarded included • Understood and tested the Company's policies of providing advances and tested the design and operating effectiveness of key controls over granting of advances to sub-contractors. • Tested ageing of advances recoverable at the year ended on a sample basis.

Sl. No	Key Audit matter	How the matter was addressed in our audit
	There is an element of management judgement in assessment of extent of the recoverability of long outstanding trade advances after the end of the contractual credit period. Management assessed the recoverability of these trade advances by reviewing the contractors ageing profile, credit history, subsequent orders proposed to be placed with them, nature and ownership of organisation and status of subsequent settlements and determined whether an impairment provision is required. We considered this matter to be significant to our audit due to the quantum of the advances and their period of outstanding.	• Examined management assessment of recoverability of the advances • Obtained list of long outstanding advances and identified any sub-contractors with financial difficulty through discussion with management. • Assessed the recoverability of these outstanding advances through our discussion with management and with reference to detailed recoveries made for the subsequent period. • Also examined the arrangements/correspondences with sub-contractors to assess the arrangement agreed with the sub-contractors and assessed the recoverability of the significant outstanding advances. • The status and their organisational structure was also examined with reference to the credit risk and their creditability in making payments since most of the sub-contractors are from unorganised sectors. • Also discussed with the management about the probability of providing new works to the sub-contractors and the chances of recoverability of the outstanding advances against the works to be executed. Considering all these, we found that the judgment made by the management in assessment of recoverability of receivables are found to be appropriate.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon which are expected to be made available to us at a later date.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information, which is not available to us as on the date of this report. In the absence of the said other information, we are unable to comment upon whether the other information is materially misstated or not.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure

B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. As stated in note 48 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure-A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Brahmayya & Co,**
Chartered Accountants,
Firm Regn. No. 000513S

Karumanchi Rajaj
Partner
Membership No. 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309KFMTDH2741

Annexure-A to the Independent Auditors' Report

The Annexure referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our report to the members of POWER MECH PROJECTS LIMITED ("Company") for the year ended 31st March, 2026.

We report that:

1. In respect of its Property, plant and equipment and Intangible assets:

   a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and Right-of-Use Assets.

   b) The Company has maintained proper records showing full particulars of intangible assets.

   c) A major portion of property, plant and equipment have been physically verified by the management in accordance with the programme of verification, which, in our opinion, provides for physical verification of all property, plant and equipment at reasonable interval having regard to the size of the Company and nature of its assets and no material discrepancies were identified on such verification.

   d) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. The original title deeds of certain immovable properties have been deposited with banks as security against borrowings of the Company. Based on the information and explanations provided to us and the documents examined by us, the title deeds are held in the name of the Company. Accordingly, no material discrepancy has been identified in this regard.

   e) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

   f) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. In respect of its inventories:

   a) According to the information and explanations furnished to us, the Company has physically verified its inventories of Stores and consumables covering nearly 82% value and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification to the extent carried out during the year is reasonable.

   b) In our opinion and according to the information and explanations give to us, the revised quarterly returns and statements comprising stock statements, payables and receivables (including retention and security deposit amounts) filed by the company with the banks subsequent to the quarterly review of accounts are in agreement with the unaudited books of the company of the respective quarters and no material discrepancies have been noticed.

3. According to the information and explanations given to us, the Company has made investments or granted unsecured loans to the companies during the year. The company also provided corporate guarantees to some of its subsidiary companies against loans taken by the said entities from the banks.

   a) The following are the details of aggregate amount of loans granted during the year and outstanding as on date of balance sheet with respect to Subsidiaries, Joint ventures and associates and other than the said parties.

Particulars	Loans granted (₹ In Crores)	Guarantees given to the extent of balance o/s (₹ In Crores)
Aggregate amount of loans provided during the year		
– Subsidiaries*	148.50	455.00
– Associates	0.12	-
– Others	15.00	-
Balance outstanding as on 31st March, 2026		
– Subsidiaries	424.03	208.89
– Joint Venturers	0.72	-
– Associates	-	-
– Others	15.76	-

*including expenses paid on their behalf

b) The loans given by the Company, investments made and guarantees given are prima-facie, not prejudicial to the interests of the Company considering the relationship and business expedience of the companies.

c) The Company has not stipulated any schedule of repayment of principal and payment of interest in respect of loans granted to its subsidiary companies during the year. Accordingly, we are unable to comment on the regularity of repayment of principal and payment of interest in respect of such loans. However, the Company has granted a loan to a party other than subsidiaries, joint ventures and associates, in respect of which the terms of repayment of principal and payment of interest have been stipulated vide agreement dated 19th november, 2025, initially for a period of three months, subsequently extended to a period of another one year vide addendum dated February 18, 2026. Based on the terms so stipulated, the repayment of principal and payment of interest has been regular.

d) In respect of the loans granted to subsidiary companies, since no repayment schedule has been stipulated, the question of the amount being overdue for a period of more than ninety days does not arise.

In respect of the loan granted to the party other than subsidiaries, having regard to the extended repayment terms as per the addendum dated 18th february, 2026, no amount was overdue as at the balance sheet date. Accordingly, this clause is not applicable.

e) In respect of loans fallen due for repayment during the year and considering the renewal of agreements for extension of period of repayment, the details of overdue payments are detailed below.

(₹ In Crore)

Particulars	Aggregate amount of loans granted during the year	Amount due for payment during the year	Aggregate amount settled by extension of period of repayment during the year*	% of extension of loans over loans granted during the year
Parties other than subsidiaries, Joint Ventures and Associates	15.00	15.00	15.00	3.58%
Total	**15.00**	**15.00**	**15.00**	**3.58%**

* Outstanding as on 31st March, 2026 after considering the extension period of repayment.

In respect of loans granted to subsidiary companies, Joint Ventures and Associates, since no repayment schedule was stipulated, the question of such loans having fallen due for repayment during the year, and consequently of renewal/ extension, does not arise.

f) The loans granted during the year and outstanding as on date of balance sheet without specifying terms or period of repayment, the aggregate amount of the total loans granted and the aggregate amount of loans granted to related parties as defined u/s 2(76) of the Act is as follows.

(Amounts ₹ In crores)

Particulars	All parties	Promoters	Related parties
Aggregate amount of loans as on 31st March, 2026			
– Repayable on demand (A)	Nil	Nil	Nil
– Agreement does not specify any terms or period of repayment (B)	424.75	Nil	424.75
Total (A+B)	**424.75**	**Nil**	**424.75**
% of loans to the total loans	**96.42%**	**Nil**	**96.42%**

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the grant of loans, investments made and providing guarantees as applicable.

5) The Company has not accepted any deposits from the public or amounts deemed to be deposits within the meaning of section 73-76 of the Act and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the company.

6) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the Act read with Companies (Cost Records and Audit) Rules, 2014, related to some of the projects as defined in the Act and are of the opinion that prima facie, the specified accounts and records have been maintained. However, we have not made a detailed examination of the same.

7) a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

b) There were no undisputed statutory dues in arrears in respect of Provident Fund, Employees' State Insurance, Customs duty, GST, Income-tax and other material statutory dues as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.

c) According to the information and explanations furnished to us, the following amounts of Value added tax have been disputed by the Company, and hence were not remitted to the authorities concerned at the date of the Balance Sheet under report.

(Amounts ₹ In crores)

Name of the Statute	Nature of Dues	Amount involved	Amount unpaid	Period to which it relates	Forum where dispute is pending
GST Act, 2017	GST	5.76	5.51	2019-20 to 2021-22	Before various appellate authorities

8) There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9) (a) In our opinion and according to the information and explanations furnished to us by the Company, there were no defaults in repayment of loans or other borrowings or in the payment of interest thereon to the lenders.

(b) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loans obtained by the Company from the banks were applied for the purpose for which they were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not taken any funds from any entity or person to meet the obligations of its subsidiaries, associates and Joint Ventures and hence the reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The company has not raised any loans on pledge of its securities held in subsidiaries, associates and Joint ventures and hence reporting under clause 3(ix)(f) of the Order is not applicable.

10. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year under report.

(c) According to the information and explanations furnished to us by the Company, no whistle blower complaints have been received by the Company during the year.

12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit issued to the Company during the year in determining the nature, timing and extent of our audit procedures.

15. In our opinion, the Company has not entered into any non-cash transactions during the year with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank

of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17. The Company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) The company is not carrying on any CSR activities towards ongoing projects and hence the reporting under clause (3)(xx)(b) of the order is not applicable for the year under report.

For **Brahmayya & Co,**
Chartered Accountants,
Firm Regn. No. 000513S

Karumanchi Rajaj
Partner
Membership No. 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN:26202309KFMTDH2741

Annexure "B" to the Independent Auditors' Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of POWER MECH PROJECTS LIMITED ("the Company") as of 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthirised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Brahmayya & Co,**
Chartered Accountants,
Firm Regn. No. 000513S

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309KFMTDH2741

Karumanchi Rajaj
Partner
Membership No. 202309

Standalone Balance Sheet

as at 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
1 **Non-Current Assets**			
(a) Property, Plant and Equipment	4.1	354.25	252.53
(b) Right-of-use assets	4.2	9.12	10.79
(c) Capital Work-in-progress	4.3	171.64	27.91
(d) Intangible Assets	5	8.41	6.48
(e) Financial Assets			
(i) Investments	6.1	14.87	14.10
(ii) Loans	7	-	-
(iii) Other financial assets	8	413.32	335.09
(f) Deferred Tax Asset (Net)	18	24.46	18.62
(g) Other Non-current Assets	9	61.86	3.86
Total Non-Current assets		**1,057.93**	**669.38**
2 **Current Assets**			
(a) Inventories	10	218.49	161.89
(b) Financial Assets			
(i) Investments	6.2	0.52	0.56
(ii) Trade receivables	11	1,505.11	1,403.99
(iii) Cash and cash equivalents	12	33.72	23.13
(iv) Other bank balances	12	355.19	489.72
(v) Loans	7	442.57	341.41
(vi) Other financial assets	8	986.50	872.84
(c) Current tax Asset (Net)	22	27.85	-
(d) Other Current assets	9	449.20	368.53
Total Current assets		**4,019.15**	**3,662.07**
Total Assets		**5,077.08**	**4,331.45**
EQUITY AND LIABILITIES			
1 **Equity**			
(a) Equity Share Capital	13	31.62	31.62
(b) Other Equity	14	2,363.35	2,073.70
Total Equity		**2,394.97**	**2,105.32**
Liabilities			
2 **Non-current liabilities**			
(a) Financial Liabilities			
(i) Long-term borrowings	15	77.38	56.81
(ii) Lease liabilities	16	6.57	8.33
(iii) Other financial liabilities	16	173.91	122.63
(b) Provisions	17	14.64	3.94
(c) Deferred Tax Liabilities (Net)	18	-	-
(d) Other non-current liabilities	19	348.02	139.63
Total non-current liabilities		**620.52**	**331.34**
3 **Current liabilities**			
(a) Financial Liabilities			
(i) Short-term borrowings	20	403.13	567.92
(ii) Lease liabilities	16	2.78	3.45
(iii) Trade payables	21		
a) Total outstanding dues of micro enterprises and small enterprises		10.32	21.30
b) Total outstanding dues of Creditors other than micro enterprises and small enterprises		1,049.91	891.43
(iv) Other financial liabilities	16	209.60	214.62
(b) Other current liabilities	19	383.14	182.16
(c) Provisions	17	2.71	0.87
(d) Current tax Liabilities (Net)	22	-	13.04
Total current liabilities		**2,061.59**	**1,894.79**
Total Liabilities		**2,682.11**	**2,226.13**
Total Equity and Liabilities		**5,077.08**	**4,331.45**

Corporate Information	1
Basis of Preparation and Material Accounting Policies	2-3

The accompanying notes 32-52 form an integral part of the standalone financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309
Place: Hyderabad
Date: 20th May, 2026
UDIN:26202309KFMTDH2741

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN:00971313

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Standalone Statement of Profit and Loss

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

	Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March, 2025
I	Revenue from Operations	23	4,727.65	4,435.42
II	Other Income	24	72.14	66.14
III	**Total Income (I+II)**		**4,799.79**	**4,501.56**
IV	**Expenses**			
	Cost of Material consumed	25	860.58	812.45
	(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	26	8.02	(2.12)
	Contract execution expense	27	2,602.08	2,457.22
	Employee benefits expense	28	690.19	611.52
	Finance cost	29	100.62	86.43
	Depreciation and Amortisation expense	30	65.49	48.22
	Other expenses	31	86.19	69.15
	Total Expenses (IV)		**4,413.17**	**4,082.86**
V	**Profit before exceptional items and tax (III-IV)**		**386.62**	**418.70**
VI	Exceptional Items		-	-
VII	**Profit before tax (V-VI)**		**386.62**	**418.70**
VIII	**Tax expense:**			
	Current tax	22	98.18	122.59
	Current tax of earlier years		(4.09)	3.16
	Deferred tax charge/(credit)	18	(5.84)	(7.59)
IX	**Profit after tax for the year (VII-VIII)**		**298.37**	**300.55**
X	**Other Comprehensive Income**			
	A. Items that will not be re-classified to statement of Profit and loss (net of tax)			
	a) Changes in fair value of investments*		0.00	(0.00)
	b) Remeasurement of defined employee benefit plans		(4.77)	0.86
	Total Other Comprehensive income		**(4.77)**	**0.86**
XI	**Total Comprehensive Income for the year (IX+X)**		**293.60**	**301.41**
XII	Earnings per Share - Basic & Diluted	45	94.37	95.05

* Amounts represent values below 1 lakh

Corporate Information	1
Basis of Preparation and Material Accounting Policies	2-3

The accompanying notes 32-52 form an integral part of the standalone financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN:26202309KFMTDH2741

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN:00971313

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Cash Flow Statement

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	386.62	418.70
Add/Less: Adjustments for :		
Depreciation	65.49	48.22
Interest and Finance charges	99.63	81.86
Interest on Income Tax	0.99	4.39
Loss on sale of assets	0.02	0.50
Asset written off	0.33	4.39
Investments written off	0.12	-
Unwinding portion of prepaid rent accounted as rental expense on account of fair valuation of rental deposits	(0.12)	(0.08)
Fair value loss/(gain) on current investments	0.04	(0.01)
Interest income	(36.75)	(35.97)
Interest on advances	(21.81)	(19.58)
Profit on sale of assets	(3.74)	(0.39)
Dividend income	(0.03)	-
Amortisation of Deferred Government grants	(0.03)	(0.12)
Remeasurement benefits on defined benefit Plans/Obligations considered in Other Comprehensive Income	(4.77)	0.86
Operating profit before working capital changes	**485.99**	**502.76**
Movements in Working Capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade Receivables	(101.12)	(435.35)
- Inventories	(56.60)	(61.41)
- Other Assets	(419.75)	(249.34)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade Payables	147.49	229.82
- Other Liabilities and Provisions	468.21	122.67
Cash generated from operations	**524.22**	**109.15**
Less: Direct taxes paid	(135.97)	(133.18)
Net cash from/(used in) Operating activities (A)	**388.25**	**(24.03)**
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets/Capital work in progress	(313.54)	(151.35)
Proceeds from sale of fixed assets	5.74	2.51
Investment in equity shares of Subsidiary companies/Joint Ventures/Associate	(0.90)	-
Margin money deposits with banks and other balances	(26.02)	(77.82)
Dividend received	0.03	-
Earmarked funds out of QIP proceeds drawn	148.72	1.70
Interest received	36.75	35.97
Interest on advances	21.81	19.58
Net cash used in Investing activities (B)	**(127.41)**	**(169.41)**
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) borrowings	(144.22)	275.90
Interest and Finance charges paid	(98.88)	(81.15)
Lease Rent Paid	(3.18)	(2.57)
Dividend paid	(3.96)	(3.16)
Net cash from/(used in) financing activities (C)	**(250.25)**	**189.02**
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**10.59**	**(4.42)**
Cash and cash equivalents at the beginning of the year	23.13	27.55
Cash and cash equivalents at the end of the year	33.72	23.13
Net Increase/(decrease) in cash and cash equivalents	**10.59**	**(4.42)**

Note: The above cash flow statement has been prepared under "Indirect method" as set out in the Indian Accounting Standard (IND AS 7) - Statement of Cash flows.

Cash Flow Statement

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

Components of cash and cash equivalents

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Cash on hand	1.88	1.28
In Current accounts	26.81	21.22
Deposits having maturity period for less than 3months	5.03	0.63
Total	**33.72**	**23.13**

Reconcilation of Changes in Liability arising from Financing activities for the year ending 31st March, 2026

Particulars	Opening	Cash flows (net)	Non-Cash changes	Closing
Long term borrowings	89.93	55.83	2.41	148.17
Short term borrowings	534.79	(202.45)	-	332.34
Lease Liabilities (Refer Note no.46)	11.78	(3.18)	0.75	9.35

Reconcilation of Changes in Liability arising from Financing activities for the year ending 31st March, 2025

Particulars	Opening	Cash flows (net)	Non-Cash changes	Closing
Long term borrowings	60.19	29.92	(0.18)	89.93
Short term borrowings	288.63	246.16	-	534.79
Lease Liabilities (Refer Note no.46)	3.99	(2.57)	10.37	11.78

Corporate Information 1

Basis of Preparation and Material Accounting Policies 2-3

The accompanying notes 32-52 form an integral part of the standalone financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th may, 2026
UDIN: 26202309KFMTDH2741

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN:00971313

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Statement of Changes in Equity

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

A. Equity share capital

Particulars	Number of Shares	Amount
As at 31st March, 2024	**1,58,08,146**	**15.81**
Changes during the Year (On account of issue of bonus shares)	1,58,08,146	15.81
As at 31st March, 2025	**3,16,16,292**	**31.62**
Changes during the Year	-	-
As at 31st March, 2026	**3,16,16,292**	**31.62**

B. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total
	Securities Premium	Other Reserves (General reserve)	Retained Earnings	Equity instruments through Other Comprehensive Income	Re-Measurement of defined employee benfit plans	
Balance as at 31st March, 2024	**529.07**	**36.96**	**1,220.44**	**0.07**	**4.73**	**1,791.27**
Profit for the year	-	-	300.55	-	-	300.55
Other Comprehensive Income	-	-	-	(0.00)	0.86	0.86
Securities Premium on issue of shares pursuant to Qualified Institutional Placement(QIP)		-	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**300.55**	**(0.00)**	**0.86**	**301.41**
Less: Appropriations						
Final Dividend for the Financial year 2023-24 proposed & paid during the year	-	-	3.16	-	-	3.16
Changes during the Year (Utilised for issue of bonus shares)	15.81	-	-	-	-	15.81
Balance as at 31st March, 2025	**513.26**	**36.96**	**1,517.83**	**0.07**	**5.59**	**2,073.70**
Profit for the year	-	-	298.37	-	-	298.37
Other Comprehensive Income	-	-	-	(0.00)	(4.77)	(4.77)
Total Comprehensive Income for the year	**-**	**-**	**298.37**	**(0.00)**	**(4.77)**	**293.60**
Less: Appropriations						
Final Dividend for the Financial year 2024-25 proposed & paid during the year	-	-	3.95	-	-	3.95
Balance as at 31st March, 2026	**513.26**	**36.96**	**1,812.25**	**0.07**	**0.82**	**2,363.35**

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th may, 2026
UDIN: 26202309KFMTDH2741

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN:00971313

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Company Overview And Material Accounting Policies

1. CORPORATE INFORMATION

Power Mech Projects Limited ("the Company" or "Power Mech"), incorporated in 1999, is an engineering and construction company providing integrated services in erection, testing and commissioning ("ETC") of boilers, turbines and generators, balance of plant ("BOP"), civil works and operation and maintenance ("O&M") of power projects. The Company undertakes projects across various segments of the power sector, including thermal, hydroelectric and other allied power infrastructure projects, across India and overseas. The Company is also engaged in the execution of railway infrastructure projects, including doubling of railway tracks along with associated works such as Civil, OHE, Signalling and Telecommunications (S&T) and other related infrastructure, as well as transmission and distribution projects.

As part of its diversification strategy, the Company has expanded its operations into the development and operation of coal mines, including Mine Developer and Operator ("MDO") activities, and the renewable energy sector, including solar power generation. Accordingly, the Company has a diversified presence across power plant construction, operation and maintenance of power projects, transmission and distribution, railway infrastructure, civil infrastructure, mining and renewable energy sectors, providing integrated engineering, construction, project execution and operation and maintenance services.

The financial statements were approved for issue by the Board of Directors on May 20, 2026

2. BASIS OF PREPARATION

a) Basis of preparation of financial statements

These financial Statements are the separate financial statements of the company (called Standalone financial statements). These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention and on accrual basis of accounting except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of estimates and judgements

The preparation of the Company's financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

i) Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets:

Property, plant and equipment / intangible assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, past history of receivables, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Company Overview And Material Accounting Policies

iii) Fair value measurement of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii) Income Taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

viii) Defined benefit obligations:

The Company uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine such employee benefit obligations.

ix) Revenue recognition:

The company uses the percentage of completion method in accounting for its fixed price contracts and is measured with reference to actual completion of physical proportion of the work to the extent of work certified by the customer. Measurement of physical quantum of work in respect of uncertified works is based on estimates at the reporting date.

x) Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

Company Overview And Material Accounting Policies

3. Material accounting policies

a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use.

For transition to Ind AS, the company has elected to adopt carrying value of PPE measured as per previous GAAP, as deemed cost as on 1st April, 2015.

Advances paid for acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Cost of the assets not put to use before such date are disclosed under 'Capital Work-in-progress'. Any subsequent expenditure relates to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. Items of spare parts are recognised as Property, plant and equipment when they meet the definition of Property, plant and equipment. The cost and related depreciation are eliminated from the property, plant and equipment upon sale or retirement of the asset and the resultant gain or losses are recognised in statement of profit and loss.

b) Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

c) Depreciation and Amortisation

The depreciation on property, plant and equipment is provided under the Straight-line method over the useful lives of the assets estimated by the management. The management based on internal assessment, taking into account the nature of the asset, estimated usage of the asset, operating conditions of the asset, past history of replacement, anticipated technical changes and independent technical evaluation carried out by external valuers, believes that the useful lives given below best represent the period over which the management expects to use these assets.

The management, based on technical evaluation report of external valuer, estimates the useful lives for the fixed assets are as follows:

Name of the asset	Estimated useful life (No. of years)
Office buildings	20
Plant and machinery	5
Furniture and fixtures	5
Computers	4
Office equipments	5
Vehicles	5
Cranes	12.5
Mobile Phones	1
Temporary sheds	1-3

Individual assets costing up to Rs. 5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during the year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be.

Intangible assets, comprising of expenditure on computer software incurred are amortised on a straight line method over a period of five years.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically at the end of each financial year with the effect of any change in estimate accounted for on a prospective basis.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

d) Government Grants

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received .

Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognised as deferred revenue in the Balance sheet

Company Overview And Material Accounting Policies

and transferred to the statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

e) **Impairment of Assets**

i) **Financial assets (other than at fair value)**

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) **Non financial assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of the fair value less cost of sale and value in use) is determined on an individual asset basis unless the asset does not generates cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount and the carrying amount of the asset is increased to its revised recoverable amount subject to maximum of carrying amount.

f) **Borrowing Costs**

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

g) **Investments in subsidiaries, joint ventures and associates**

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amount are recognised in the statement of profit and loss.

h) **Inventories**

a) Stores and consumables are valued at lower of cost or Net realisable value.

b) Work-in-progress:

Contract execution expenses incurred in respect of projects to be commenced are included under work-in-progress and are valued at cost.

Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilisation expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of Ind AS.

i) **Revenue Recognition**

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Company Overview And Material Accounting Policies

Identifying Performance Obligation:

A performance obligation is identified in the construction projects that the Company engages in, owing to the high degree of integration and customisation of the various goods and services to provide a combined output which is transferred to the customer over time and not at a specific point in time. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

Determination of Transaction Price:

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party(GST). The total transaction price of each contract is to be allocated to each portion of work as per the agreed terms of contract. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Recognition of Revenue:

In case of sale of goods:

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

In case of construction services:

Revenue from services is recognised over time by measuring progress towards satisfaction of performance obligation for the services rendered.

Revenue from contracts is recognised by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work, i.e the output method, to the extent of work certified by the customer and acknowledged by the customer. Under this method, on a regular basis, the work completed under each contract is measured and the corresponding output is recognised as revenue.

The portion of the work which was completed, but pending for certification by the customer, is also recognised as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognised as revenue only when the customer accepts the same. Provision for expected loss is recognised immediately when it is probable that the total estimated cost will exceed total contract revenue.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

In case of other Income:

Interest income is recognised using the effective interest method.

Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.

J) Employee Benefits

i) Defined Contribution Plans

Company's contribution to Employees Provident Fund and Employees State Insurance are made under a defined contribution plan, and are accounted for at actual cost in the year of accrual.

ii) Defined Benefit Plans

Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial losses and gains, the effect of changes to the asset ceiling and actual return on plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation, is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Such remeasurement losses/gains are not reclassified to profit or loss subsequently.

The employees of the company are entitled to leave encashment which are both accumulating and non-accumulating in nature. The liability towards accumulated leave encashment, which are to be encashable only at the time of retirement, death while in service or on termination of employment, is determined by actuarial valuation using projected unit credit method.

Company Overview And Material Accounting Policies

k) Foreign Currency Transactions

The functional currency of the company, including of its foreign projects, is Indian Rupee and the financial statements are presented in Indian rupee.

Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the year.

At each Balance Sheet date

i) Foreign currency denominated monetary items are translated into the relevant functional currency at exchange rate at the balance sheet date. The gains and losses resulting from such translations are included in net profit in the statement of profit and loss.

ii) Foreign currency denominated non-monetary items are reported using the exchange rate at which they were initially recognised.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in statement of profit and loss.

l) Income-Taxes

Income tax expense comprises the sum of tax currently payable and deferred tax. Income tax expense is recognised in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax is determined at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred tax assets is reviewed at the end of each year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities are recognised as income or expense in the year of enactment. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

m) Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Where the effect of time value of money is material, the amount of provisions is the present value of the expenditure required to settle the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

n) Dividends

Provision for dividends payable (including income tax thereon) is accounted in the books of account in the year when they are approved by the share holders at the Annual General Meeting.

o) Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Further, if the number of equity shares increases as a result of bonus issue, the above calculations are adjusted retrospectively for the previous year figures also.

Company Overview And Material Accounting Policies

p) Leases

The Company's leased assets primarily consist of buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

q) Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing and financing activities. The cash flows are segregated into operating, investing and financing activities.

r) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition:

The company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than the financial assets and liabilities at fair value through profit and loss) are added to or deducted from the fair value of financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities at fair value through profit or loss are recognised immediately in profit or loss.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

i) Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

Company Overview And Material Accounting Policies

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

De-recognition of financial assets:

The company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Impairment of financial assets:

The company applies expected credit loss (ECL) model for measurement and recognition of loss assets in case of trade receivables and other financial assets. For trade receivables, the company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of receivables. The company uses historical default rates applied on the ageing of receivables to determine loss allowance on portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed. In case of other assets, the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk has not increased significantly, an amount equal to 12-month ECL is measured and recognised as a loss allowance. However, if the credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as a loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the company reversed the impairment loss recognised earlier.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. The effective method is a method of calculating the amortisation cost of a financial liability and of allocating interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liability

The company de-recognises financial liabilities when the company's obligations are discharged, cancelled or expired. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognised in the statement of profit and loss over the contractual terms using the effective interest method.

s) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31st March, 2026, MCA has notified the following amendments to the existing standards:

- Ind AS 1 – Presentation of Financial Statements
- Ind AS 7 – Statement of Cash Flows
- Ind AS 21 – The Effects of Changes in Foreign Exchange Rates
- Ind AS 107 – Financial Instruments: Disclosures

The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.4.1 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Carrying Amounts of:		
Land	14.26	3.29
Office Buildings	10.82	12.26
Leasehold Improvement	6.98	-
Plant and Equipment	43.91	17.41
Furniture and Fixtures	6.52	6.50
Computers	3.24	2.72
Office Equipment	7.53	5.99
Motor vehicles	79.30	64.66
Cranes	158.53	115.28
Temporary Sheds	23.17	24.42
	354.25	252.53
Capital Work-in-progress (Refer Note No 4.3)	171.64	27.91

Property, Plant and Equipment

Particulars	Land	Office Buildings	Leasehold Improvement	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Motor vehicles	Cranes	Temporary Sheds	Total
Gross Block :											
As at 31st March, 2024	3.42	21.97	-	62.38	13.26	7.74	17.24	87.70	190.65	62.64	467.00
Additions	0.57	-	-	5.74	5.94	1.62	3.24	36.25	53.45	20.09	126.90
Disposals	0.70	-	-	8.07	1.32	2.04	3.19	4.91	10.00	18.80	49.03
As at 31st March, 2025	3.29	21.97	-	60.05	17.88	7.32	17.29	119.04	234.10	63.93	544.87
Additions	11.99	-	7.23	33.71	2.48	1.88	3.92	32.51	61.08	11.68	166.48
Disposals	1.02	0.59	-	0.53	0.36	0.36	0.43	2.08	1.03	-	6.40
As at 31st March, 2026	14.26	21.38	7.23	93.23	20.00	8.84	20.78	149.47	294.15	75.61	704.95
Accumulated Depreciation and Impairment :											
As at 31st March, 2024	-	8.58	-	44.77	10.92	5.15	12.40	45.67	113.31	48.44	289.25
Depreciation charge for the Year	-	1.12	-	5.03	1.68	1.04	1.82	12.77	12.38	9.05	44.89
On disposals	-	-	-	7.16	1.22	1.59	2.92	4.06	6.87	18.00	41.80
As at 31st March, 2025	-	9.71	-	42.64	11.38	4.60	11.30	54.37	118.82	39.51	292.34
Depreciation charge for the Year	-	1.12	0.25	7.08	2.41	1.27	2.29	17.33	17.75	12.92	62.42
On disposals	-	0.26	-	0.40	0.31	0.27	0.34	1.53	0.95	-	4.06
As at 31st March, 2026	-	10.57	0.25	49.32	13.48	5.60	13.25	70.17	135.62	52.43	350.70
Net Block :											
As at 31st March, 2026	14.26	10.81	6.98	43.91	6.52	3.24	7.53	79.30	158.53	23.17	354.25
As at 31st March, 2025	3.29	12.26	-	17.41	6.50	2.72	5.99	64.66	115.28	24.42	252.53

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Notes:

1) Term loans taken by the company for purchase of Fixed assets are secured by way of hypothecation on respective assets for which loans were availed. (Refer Note No.15)

2) Working Capital Loans from banks are secured by way of first charge on Property, Plant and Equipment of the company both present and future, excluding those assets against which charge was given to equipment financiers. (Refer Note. 20)

3) None of the property plant & equipment for acquired / transferred by way of business combinations

4) The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.

5) The title deeds of immovable properties were held in the name of the company.

6) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

7) Lease hold improvements in the above table represent the improvements made in the premises taken on lease.

Note No.4.2 Right - of - use assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Right - of - use assets	9.12	10.79
	9.12	**10.79**

Particulars	Lease hold land	Buildings	Total
(A) Cost or deemed cost :			
Balance at 31st March, 2024	**0.55**	**13.75**	**14.30**
Additions	-	10.72	10.72
Disposals/adjustments	-	3.91	3.91
Balance at 31st March, 2025	**0.55**	**20.56**	**21.11**
Additions	-	-	-
Disposals/adjustments	-	-	-
Balance at 31st March, 2026	**0.55**	**20.56**	**21.11**
(B) Accumulated Amortisation and impairment :			
Balance at 31st March, 2024	**0.05**	**10.37**	**10.42**
Amortisation expense for the year	0.01	2.73	2.74
Eliminated on disposal	-	2.84	2.84
Balance at 31st March, 2025	**0.06**	**10.26**	**10.32**
Amortisation expense for the year	0.01	1.66	1.67
Eliminated on disposal	-	-	-
Balance at 31st March, 2026	**0.07**	**11.92**	**11.99**
(C) Carrying amount :			
As at 31st March, 2026	**0.48**	**8.64**	**9.12**
As at 31st March, 2025	**0.49**	**10.30**	**10.79**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.4.3 Capital Work-in-Progress

Particulars	Amount
At Cost	
As at 31st March, 2024	9.90
Additions	23.71
Capitalised during the year	5.70
As at 31st March, 2025	27.91
Additions	163.70
Capitalised during the year	19.97
As at 31st March, 2026	171.64

Capital Work-in-progress ageing schedule as on 31st March, 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	163.70	4.11	3.83	-	171.64
Projects temporarily suspended	-	-	-	-	-

Note: None of the above projects were overdue for its completion and does not exceeded its cost compared to its original plan.

Capital Work-in-progress ageing schedule as on 31st March, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	23.71	4.20	-	-	27.91
Projects temporarily suspended	-	-	-	-	-

Note: None of the above projects were overdue for its completion and does not exceeded its cost compared to its original plan.

Note No.5 INTANGIBLE ASSETS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Power Mech Brand *	0.00	0.00
Computer Software	8.41	6.48
Total	8.41	6.48

* Amount below Rs.1 Lakh

Particulars	Power Mech Brand	Computer Software	Total
Gross Block :			
As at 31st March, 2024	0.00	1.74	1.74
Additions	-	6.66	6.66
Disposals	-	0.04	0.04
As at 31st March, 2025	0.00	8.36	8.36
Additions	-	3.33	3.33
Disposals	-	0.00	0.00
As at 31st March, 2026	0.00	11.69	11.69

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	Power Mech Brand	Computer Software	Total
Accumulated Amortisation and Impairment:			
As at 31st March, 2024	**0.00**	**1.33**	**1.33**
Amortisation expense for the year	-	0.59	0.59
On disposals	-	0.04	0.04
As at 31st March, 2025	**0.00**	**1.88**	**1.88**
Amortisation expense for the year	-	1.40	1.40
On disposals	-	0.00	0.00
As at 31st March, 2026	**0.00**	**3.28**	**3.28**
Net Block :			
As at 31st March, 2026	**0.00**	**8.41**	**8.41**
As at 31st March, 2025	**0.00**	**6.48**	**6.48**

Note:

1) None of the intangible assets were acquired/transferred by way of business combinations.

2) The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.

Note No.6.1 INVESTMENTS (NON-CURRENT)

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Investment in Equity Instruments		
(a) (i) Quoted - Trade (Carried at fair value through OCI)		
a) 24(24) Equity shares of Rs.10/ each in Reliance Power Limited *	0.00	0.00
Total Investment in Quoted Equity Instruments (a)	**0.00**	**0.00**
(b) (i) Unquoted - Trade		
Investment in Subsidiaries (Carried at cost) :		
a) 1,85,000 (1,85,000) Equity shares of Rs.10 each in Hydro Magus Private Limited	2.94	2.94
b) 18,937 (18,937) Equity shares of Rs.10 each in Power Mech Industri Private Limited (Wholly owned subsidiary)	4.31	4.31
c) 1,75,000 (1,75,000) ordinary shares of RO 1 each in Power Mech Projects Limited LLC	3.02	3.02
d) 5,100 (5,100) Equity shares of Rs 10 each in Power Mech BSCPL Consortium Private Limited	0.01	0.01
e) 1,00,000(1,00,000) Equity shares of Rs.10 each in Power Mech SSA Structures Private Limited (Wholly owned subsidiary)	0.10	0.10
f) Nil (1,00,000) Equity shares of Rs.10 each in Aashm Avenues Private Limited (Wholly owned subsidiary) #	-	0.10
g) 1,00,000(1,00,000) Ordinary shares of USD 1 each in Power Mech Projects (BR) FZE	0.69	0.69
(Wholly owned subsidiary) (Investment by way of subscription of assets)		
h) Nil (10,000) Equity shares of Rs.10 each in Power Mech Environmental Protection Private Limited. #	-	0.01
(Wholly owned subsidiary)		
i) Nil (10,000) Equity shares of Rs.10 each in Energy Advisory and Consulting Services Private Limited. #	-	0.01
(Wholly owned subsidiary)		
j) 7,400(7,400) Equity shares of Rs.10 each in KBP Mining Private Limited.	0.01	0.01
k) 7,400(7,400) Equity shares of Rs.10 each in Kalyaneswari Tasra Mining Private Limited.	0.01	0.01
l) 51% (51%) share in Vindyavasini Mining Works LLP.	-	-
m) 51% (51%) share in Vanshika Mining Works LLP.	-	-
n) 51% (51%) share in Kailash River Bed Minerals LLP.	0.01	0.01
o) 51% (51%) share in Velocity Mining Works LLP.	-	-

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	As at 31st March, 2026	As at 31st March, 2025
p) 10,000(10,000) Equity shares of Rs.10 each in PMTS Private Limited. (Wholly owned subsidiary)	0.01	0.01
q) 76,000 (Nil) Equity shares in Power Mech Arabia Contracting Company	0.87	-
r) 10,000(Nil) Equity shares of Rs.10 each in PM Green Private Limited. (Wholly owned subsidiary)	0.01	-
s) 10,000(Nil) Equity shares of Rs.10 each in Deoghar Ring Road Project Private Limited.(Wholly owned subsidiary)	0.01	-
t) 6,000(Nil) Equity shares of Rs.10 each in Suryatna Projects Private Limited.	0.01	-
Investment in Joint Venture (Carried at cost) :		
a) 1,50,00,000 (1,50,00,000) equity shares of 1 Naira each in GTA Power Mech Nigeria Limited	0.32	0.32
b) 50 (50) Equity shares of AED 1000 each in GTA Power Mech DMCC (Company with limited liability)	0.09	0.09
c) Investment in PMPL-ACPL JV (Capital introduced Nil)**	-	-
d) Investment in PMPL-STS JV (Capital introduced Nil)**	-	-
e) Investment in PMPL-KHILARI Consortium JV (Capital introduced Nil)**	-	-
f) Investment in PMPL-SRC INFRA JV - Mizoram (Capital introduced Nil)**	-	-
g) Investment in PMPL-SRC INFRA JV - Hassan (Capital introduced Nil)**	-	-
h) Investment in PMPL-BRCC INFRA JV (Capital introduced Nil)**	-	-
i) Investment in PMPL-KVRECPL Consortium JV (Capital introduced Nil)**	-	-
j) Investment in PMPL-PIA JV (Capital introduced Nil)**	-	-
k) Investment in POWER MECH-TAIKISHA JV (Capital introduced Nil)**	-	-
l) Investment in RITES-PMPL JV (Capital introduced Nil)**	-	-
m) Investment in SCPL - PMPL JV (Capital introduced Nil)**	-	-
n) Investment in PMPL-RSVCPL JV (Capital introduced Nil)**	-	-
o) Investment in PMPL-UPPER BURHNER JV (Capital introduced Nil)**	-	-
p) Investment in PMPL-KMV JV (Capital introduced Nil)**	-	-
Investment in Associate (Carried at cost) :		
a) 332 (332) Equity shares of SR 1000 each in MAS Power Mech Arabia	2.25	2.25
b) 490 (490) Equity shares of RIYALS 100 each in Power Mech LLC Qatar	0.11	0.11
Total Investment in Un-Quoted Equity Instruments (b)	**14.78**	**14.00**
Total Investment in Equity Instruments (A)= (a+b)	**14.78**	**14.00**
B. Investment in Debentures of Subsidiary Company - UnQuoted: (Carried at Amortised Cost)		
a) 7,400 (7,400) Debentures of Rs. 10 each in KBP Mining Private Limited.	0.01	0.01
Total Investment in Debentures (B)	**0.01**	**0.01**
C. Investment in Mutual Funds - Quoted: (Carried at fair value through OCI)		
a) 20,000(20,000) Units of SBI Infra structure fund - I - Growth Rs.10/ each	0.08	0.09
Total Investment in Mutual Funds (C)	**0.08**	**0.09**
Total (A+B+C)	**14.87**	**14.10**
Aggregate amount of : Quoted investments -		
- At cost	0.02	0.02
- Market value	0.08	0.09
Aggregate amount of unquoted investments	**14.79**	**14.01**

*Amounts below ₹ 1 Lakh

** The company has become a venturer in Joint Ventures incorporated during the Financial year 18-19 to 24-25. However no investment has been made in the said JV's as on date of Balance Sheet.

#The subsidiary companies have been voluntarily struck off during the year under Section 248(2) of the Companies Act, 2013, as thay have not carried on any business or operational activities during the immediately preceding two financial years and the struck off has been approved by their board of directors vide resolution dated 30th November, 2025 in respect of Energy Advisory and Consulting Services Private Limited and Power Mech Environmental Protection Private Limited and dated 10th February, 2026 in respect of Aashm Avenues Private Limited. The said application filed has been approved by Registrar of Companies.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Category wise - Investments as per Ind AS 109 Classification

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised
Investments measured at:				
(i) Fair value through Other Comprehensive Income				
a) 24(24) Equity shares of Rs.10/ each in Reliance Power Limited	0.00	-	0.00	-
b) 20,000(20,000) units of SBI Infra structure fund I Growth Rs.10/ each - Mutual Funds	0.08	-	0.09	-
(ii) Investment in Subsidiary Companies, Joint Ventures and Associates (Carried at cost)	14.78	-	14.00	-
(iii) Investment in Debentures of Subsidiary Company (Measured at amortized cost)	0.01	-	0.01	-
Total	**14.87**	**-**	**14.10**	**-**

Note No.6.2 INVESTMENTS (CURRENT)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in Mutual Funds - Quoted: (Carried at fair value through P&L)		
a) 73,248 (73,248) units of Baroda BNP Paribas Large & Mid Cap Fund	0.17	0.18
b) 2,49,978(2,49,978) units of Baroda BNP Paribas Flexi Cap Fund	0.29	0.33
c) 49,987 (49,987) units of Baroda BNP Energy Opportunities Fund Regular Growth	0.06	0.05
Total Investment in Mutual Funds	**0.52**	**0.56**
Aggregate amount of : Quoted investments -		
- At cost	0.37	0.37
- Market value	0.52	0.56

Note No.7 LOANS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good				
a) Employee related advances	-	-	2.07	2.06
b) Advances to related parties				
- **Subsidiaries**				
- Power Mech Industri Private Limited	-	-	6.39	15.27
- Power Mech SSA Structures Private Limited	-	-	2.25	2.25
- KBP Mining Private Limited	-	-	55.25	29.52
- Kalyaneswari Tasra Mining Private Limited	-	-	126.47	84.43
- Vindyavasini Mining Works LLP	-	-	55.66	56.92
- Vanshika Mining Works LLP	-	-	49.93	45.65
- Kailash River Bed Minerals LLP	-	-	40.82	37.62
- Velocity Mining Works LLP	-	-	59.79	54.54
- Deoghar Ring Road Projects Private Limited			23.05	-
- Suryatna Projects Private Limited			3.78	-
- PM Green Private Limited			0.63	-
- **Associates**				
- Power Mech LLC (Qatar)	-	-	-	2.03
c) Loans to Others				
- GTA Power Mech FZE (Subsidiary to GTA Power Mech Nigeria, a JV)	-	-	0.72	0.72
- Shangrila Infracon India Pvt Limited	-	-	15.76	-
- Global steel Structures (P) Limited	-	-	-	10.40
Total	**-**	**-**	**442.57**	**341.41**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

The above Loans Receivables are sub-classified as :

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Loans considered good - Secured	-	-	-	-
b) Loans considered good - Unsecured	-	-	442.57	341.41
c) Loans which have significant increase in Credit Risk	-	-	-	-
d) Loans - credit impaired	-	-	-	-
	-	**-**	**442.57**	**341.41**

Note:

1) No loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private companies (except those entities which are subsidiaries or joint ventures or associates) in which any director is a partner, a director or a member.

2) All the above advances given to subsidiaries/joint ventures are towards their Operational and project development purposes.

3) Loans Repayable on demand and without specifying the terms or period of repayment.

Particulars	As at 31st March, 2026	% out of Total Loans advanced	As at 31st March, 2025	% out of Total Loans advanced
Details of loan granted				
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMP	-	-	-	-
d) Related parties	424.74	95.97	328.94	96.35

Note No.8 OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Security deposits with Govt. authorities and others	17.95	13.26	-	-
b) EMD with customers	8.10	40.17	-	-
c) Earmarked balances with banks held as margin money against LC and guarantees having a maturity period for more than 12 months from the date of balance sheet	73.23	61.39	-	-
d) Retention Money and Security Deposit with customers - Unsecured	318.19	224.42	62.82	83.23
e) Uncertified Revenue	-	-	923.68	789.61
Total	**417.47**	**339.24**	**986.50**	**872.84**
Less: Provision for doubtful receivables (Against Retention Money and Security Deposit with customers)	(4.15)	(4.15)	-	-
	413.32	**335.09**	**986.50**	**872.84**

Note: The bifurcation of Retention Money and Security Deposit with customers between current and non current is made based on the terms of contract, time schedule in the execution of work orders, fulfilment of conditions for release of Retention Money and Security deposit and based on estimates and certified by the management.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Uncertified revenue ageing schedule as on 31st March, 2026

Particulars	Outstanding for following periods from reporting date					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Uncertified revenue	776.14	6.98	138.48	2.08	-	923.68

Uncertified revenue ageing schedule as on 31st March, 2025

Particulars	Outstanding for following periods from reporting date					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Uncertified revenue	775.20	1.51	6.45	6.45	-	789.61

Note No.9 OTHER ASSETS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good				
a) Advances for Capital goods	61.86	3.86	-	-
b) Mobilisation advances to Sub - Contractors	-	-	24.38	20.25
c) Advances to creditors against supplies	-	-	93.12	58.67
d) Advances to sub-contractors against works -Unsecured	-	-	248.60	220.92
e) Prepaid Royalty and Other expenses	-	-	23.49	15.51
f) Balances with Statutory Authorities:				
GST and other taxes receivable	-	-	62.99	53.84
Taxes paid under protest	-	-	0.35	1.06
g) Other advances	-	-	3.47	3.35
h) Balance in Gratuity Fund (net of obligations) (Refer Note no.17)	-	-	-	1.79
Total	**61.86**	**3.86**	**456.40**	**375.39**
Less: Provision for doubtful advances (Advance to sub-contractors against works)	-	-	(7.20)	(6.86)
	61.86	**3.86**	**449.20**	**368.53**

Note: No advances are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

Note No.10 INVENTORIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Stores and spares	215.19	150.57
b) Work-in-progress	3.30	11.32
Total	**218.49**	**161.89**

Note:

(i) The mode of valuation of inventories has been stated in Note 3(h) in Accounting Policies.

(ii) The cost of inventories recognised as an expense for the year ended 31st March, 2026 was Rs. 860.58 cr /- (for the year ended 31st March, 2025: Rs. 812.45 cr)

(iii) All the above inventories are offered as security in respect of working capital loans availed by the company from all the banks.

(iv) There are no inventories expected to be liquidated after more than twelve months.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.11 TRADE RECEIVABLES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivables considered good -Secured	-	-
Trade receivables considered good -Unsecured *	1,505.11	1,403.99
Trade receivables which have significant increase in Credit Risk	10.47	10.47
Less: Provision for doubtful receivables	(10.47)	(10.47)
Total	**1,505.11**	**1,403.99**

***Includes receivables from Subsidiary Companies/Joint ventures/Associates :**

Particulars	As at 31st March, 2026	As at 31st March, 2025
- Hydro Magus Private Limited	5.97	4.58
- Power Mech BSCPL Consortium Private Limited	0.86	2.56
- M/S POWER MECH-M/S ACPL JV	9.11	28.69
- PMPL-STS JV	0.87	0.07
- PMPL-SRC INFRA JV (Mizoram)	5.14	27.93
- PMPL-SRC INFRA JV (Hassan)	10.43	9.13
- PMPL-BRCC INFRA JV	90.36	285.87
- PMPL-KHILARI Consortium JV	4.44	1.90
- PMPL-PIA JV	8.66	2.83
- POWER MECH-TAIKISHA JV	21.30	7.21
- RITES-PMPL JV	0.32	1.06
- PMPL-KVRECPL Consortium JV	0.23	0.81
- PMPL RSVCPL JV	8.68	4.07
- Vindyavasini Mining Works LLP	1.58	1.38
- Kalyaneswari Tasra Mining Private Limited	36.07	18.10
- Power Mech SSA Structures Private Limited	1.36	1.36
- PMPL Upper Burhner JV	22.25	0.51
- MAS Power Mech Arabia	10.65	10.63
- Power Mech Arabia Contracting Company	0.12	0.12
- Power Mech Projects (BR) FZE	4.55	6.09
- Power Mech Projects Ltd LLC	3.13	0.56
- Power Mech LLC (Qatar)	-	1.63
- Deoghar Ring Road Project Private Limited.	53.21	-
- KBP Mining Private Limited	4.81	-
- PMPL - KMV JV	14.14	-
- SCPL-PMPL JV	0.07	-

a) The average credit period is 30 days which is due from the date of certification of RA Bill. No interest is charged on overdue receivables.

b) Of the trade receivables balance, Rs. 286.50 Cr (as at 31st March, 2025 : Rs. 215.02 Cr) is due from one of the Company's largest customer. Further, an amount of Rs.332.35 Cr (as at 31st March, 2025 : Rs. 562.02 Cr) is due from customers who represent more than 5% of the total balance of trade receivables.

c) In determining the provision for trade receivables, the company has used practical expedients based on the financial conditions of the customer, historical experience of collections from customers, possible outcome of negotiations with customers etc., The concentration of risk with respect to trade receivables is reasonably low as most of the receivables are from Government organisations, high profile and net worth companies though there may be normal delay in collection. The company has provided expected credit loss allowance based on provision matrix applied on the ageing of receivables which are due with estimated loss rates.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Trade Receivables ageing schedule as on 31st March, 2026

Particulars	Outstanding for following periods from date of Invoice					
	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) undisputed trade Receivables – considered good	1,354.96	92.10	4.32	1.61	62.59	1,515.58
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Provision for expected credit loss	-	-	(0.22)	(0.16)	(10.09)	(10.47)
	1,354.96	**92.10**	**4.10**	**1.45**	**52.50**	**1,505.11**

Trade Receivables ageing schedule as on 31st March, 2025

Particulars	Outstanding for following periods from date of Invoice					
	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) undisputed trade Receivables – considered good	1,257.56	62.67	17.29	52.86	24.08	1,414.46
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Provision for expected credit loss	-	-	(0.86)	(4.83)	(4.77)	(10.47)
	1,257.56	**62.67**	**16.43**	**48.03**	**19.31**	**1,403.99**

Note No.12 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2026	As at 31st March, 2025
i) Balances with banks		
a. In Current accounts	26.81	21.22
ii) Cash on hand	1.88	1.28
iii) Fixed Deposits with original maturity period of less than 3 months	5.03	0.63
Total	**33.72**	**23.13**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.12 OTHER BANK BALANCES

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Earmarked balances with banks held as margin money against LC and guarantees falls due for maturity within 12months from the date of Balance sheet	261.66	247.47
b. Earmarked funds for funding capital expenditure for the installation and operation of washery and coal handling plant including other incidental infrastructure works for the Tasra opencast project	93.51	242.22
c. Earmarked balances with banks towards unclaimed dividends	0.02	0.03
Total	**355.19**	**489.72**

Note: Bank Deposits with more than 12 months maturity from the date of Balance Sheet was disclosed under "Other Financial Assets"

Note No.13 SHARE CAPITAL

a) Authorised Share Capital

Particulars	Equity	
	No's	Total
As at 31st March, 2024	**2,60,00,000**	**26.00**
Changes during the Year	90,00,000	9.00
As at 31st March, 2025	**3,50,00,000**	**35.00**
Changes during the Year	-	-
As at 31st March, 2026	**3,50,00,000**	**35.00**

b) Issued Share Capital

Equity shares of Rs. 10/- each issued, subscribed and fully paid

Particulars	No's	Total
As at 31st March, 2024	**1,58,08,146**	**15.81**
Increase/(Decrease) during the Year (on account of issue of bonus shares)	1,58,08,146	15.81
As at 31st March, 2025	**3,16,16,292**	**31.62**
Changes during the Year	-	-
As at 31st March, 2026	**3,16,16,292**	**31.62**

c) Rights, Preferences and restrictions attached to Equity shares

The Company has only one class of Equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of share holders in the Annual General Meeting. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders

d) Details of share holders holding more than 5% of total number of shares

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company
S. Kishore Babu	75,90,884	24.01%	75,90,884	24.01%
Sajja Rohit	15,91,826	5.03%	15,91,826	5.03%
Vignatha Sajja	20,96,108	6.63%	20,96,108	6.63%
Aishwarya Kurra	35,16,026	11.12%	35,16,026	11.12%
HDFC Small Cap Fund	25,71,881	8.13%	29,09,255	9.20%
	1,73,66,725	**54.93%**	**1,77,04,099**	**56.00%**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

e) Details of shares held by promoters as on 31st March, 2026

Name of the promoters	As at 31st March, 2026		% Change during the FY 2025-26
	No. of shares	% of total shares	
Sajja Kishore Babu	75,90,884	24.01	0.00
Lakshmi Sajja	15,13,068	4.79	0.00
Sajja Rohit	15,91,826	5.03	0.00
Sajja Vignatha	20,96,108	6.63	0.00
Aishwarya Kurra	35,16,026	11.12	0.00
Gogineni Babu	31,916	0.10	0.00
Sireesha Gogineni	6,720	0.02	0.00
Sivarama Krishna Prasad Sajja	3,300	0.01	(8.33)
Subhashini Kanteti	5,040	0.02	0.00
Uma Devi Koyi	1,000	0.00	0.00
Sai Malleswara Rao Sajja	510	0.00	0.00
Power Mech Infra Limited	2,16,816	0.69	25.19
Nekkanti Vidharth	4,74,246	1.50	0.00
Shrivi Nekkanti	4,74,246	1.50	0.00
Kiara Sajja	4,74,246	1.50	0.00
Amaira Sajja	4,74,246	1.50	0.00

Details of shares held by promoters as on 31st March, 2025

Name of the promoters	As at 31st March, 2025		% Change during the FY 2024-25
	* No. of shares	% of total shares	
Sajja Kishore Babu	75,90,884	24.01	(1.80)
Lakshmi Sajja	15,13,068	4.79	(60.77)
Sajja Rohit	15,91,826	5.03	(11.90)
Sajja Vignatha	20,96,108	6.63	(4.99)
Aishwarya Kurra	35,16,026	11.12	15.09
Gogineni Babu	31,916	0.10	15.15
Sireesha Gogineni	6,720	0.02	0.00
Sivarama Krishna Prasad Sajja	3,600	0.01	(10.00)
Subhashini Kanteti	5,040	0.02	0.00
Uma Devi Koyi	1,000	0.00	0.00
Sai Malleswara Rao Sajja	510	0.00	0.00
Power Mech Infra Limited	1,73,186	0.55	(55.73)
Nekkanti Vidharth	4,74,246	1.50	100.00
Shrivi Nekkanti	4,74,246	1.50	100.00
Kiara Sajja	4,74,246	1.50	100.00
Amaira Sajja	4,74,246	1.50	100.00

f) Aggregate number of bonus shares issued during the period of 5 years immediately preceding the reporting date:

During the year 2024-25, the company has allotted Nos.1,58,08,146 Equity shares of ₹ 10 /- each as fully paid-up bonus shares to the existing shareholders in the ratio of 1:1, by capitalising ₹ 15,80,81,460 /- out of securities Premium, in accordance with the provisions of Sec 63 of the companies Act, 2013.

No bonus shares were issued in any of the other period out of last 5 financial years.

g) No shares were issued pursuant to a contract without payment being received in cash.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.14 OTHER EQUITY

Securities Premium

Particulars	Amount
As at 31st March, 2024	**529.07**
Changes during the Year (Utilised for issue of bonus shares)	(15.81)
As at 31st March, 2025	**513.26**
Changes during the year	-
As at 31st March, 2026	**513.26**

General Reserve

Particulars	Amount
As at 31st March, 2024	**36.96**
Transfers during the Year	-
As at 31st March, 2025	**36.96**
Transfers during the year	-
As at 31st March, 2026	**36.96**

Retained Earnings

Particulars	Amount
As at 31st March, 2024	**1,225.24**
Add: Total comprehensive income for the year transferred from statement of profit and loss	301.41
Less: Appropriations.	
Final Dividend for the Financial year 2023-24 proposed & paid during the Year	3.16
As at 31st March, 2025	**1,523.48**
Add: Total comprehensive income for the year transferred from statement of profit and loss	293.60
Less: Appropriations.	
Final Dividend for the Financial year 2024-25 proposed & paid during the Year	3.95
As at 31st March, 2026	**1,813.13**

Summary of Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Securities Premium	513.26	513.26
General Reserve	36.96	36.96
Retained Earnings	1,813.13	1,523.48
Total	**2,363.35**	**2,073.70**

Nature of reserves:

a) Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of Companies Act, 2013.

b) General reserve

The general reserve is created by way of tranfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

c) Retained Earnings:

Retained earnings are the profits that the company has earned till date less transfers to general reserves and dividends paid to share holders.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.15 LONG TERM BORROWINGS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
A. Secured				
i. Term loans				
a) From Banks :				
i) Axis Bank	19.32	5.93	15.94	9.10
ii) HDFC Bank	5.26	8.16	7.40	5.65
iii) ICICI Bank	1.02	-	0.44	0.01
iv) Kotak Mahindra Bank	-	1.80	-	0.17
v) South Indian Bank	14.11	2.68	8.73	1.42
vi) Bank of Baroda	6.14	6.14	7.07	4.85
vii) Canara Bank	6.25	8.45	2.17	1.99
viii) Union Bank of India	10.60	6.98	5.45	-
ix) Emirates Islamic Bank	0.27	1.01	0.74	1.30
b) From Others :				
i) HDB Financial Services	1.25	1.37	1.99	2.10
ii) TATA Capital	2.82	0.35	1.99	0.35
iii) Mahindra finance	-	-	-	0.09
iv) Al-futtaim	-	-	-	0.02
Total (a)	**67.04**	**42.88**	**51.92**	**27.05**
B. Unsecured				
a) Deferred payment liabilities				
Due to suppliers on deferred credit basis (Against LC)	10.34	13.93	18.87	6.07
Total (b)	**10.34**	**13.93**	**18.87**	**6.07**
Total (a+b)	**77.38**	**56.81**	**70.79**	**33.12**

1) The term loans from banks and companies are secured by way of hypothecation of assets funded under the said facility.

2) The above loans carries interest varies from 7.35 % to 11.01% per annum.

3) The above loans are repayable in monthly/quarterly installments.

4) Maturity pattern of above term loans (Non Current) is as follows.

Banks : 2027-28 - 36.34 cr & 2028-29 - 26.63 cr

Companies : 2027-28 - 2.81 cr & 2028-29 - 1.26 cr

5) Registration, Modification and Satisfaction of charges relating to the new loans taken during the year, had been filed with the Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.

6) No defaults were made in repayment of above term loans

Note No.16 OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Retention Money & Security deposits recovered from Sub-Contractors	173.91	122.63	29.10	60.87
b) Amount received against arbitration Proceeding with Customer	-	-	54.05	54.05
c) Creditors for capital goods	-	-	0.05	0.06
d) Interest accrued and due	-	-	-	0.08

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
e) Unclaimed dividend	-	-	0.02	0.03
f) Employee related payments	-	-	70.53	69.64
g) Other Liabilities	-	-	55.85	29.89
	173.91	**122.63**	**209.60**	**214.62**
a) Lease liability	6.57	8.33	2.78	3.45
Total	**180.48**	**130.96**	**212.38**	**218.07**

Note:

(i) The segregation of above Retention Money & Security deposits are made based on the time schedule in execution of works, estimated works undertaken in next year and terms of release as agreed with sub-contractors.

Note No.17 PROVISIONS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Provision for employee benefits				
- Group gratuity (Net of plan assets)	6.31	-	1.01	-
- Leave Encashment (Unfunded)	8.33	3.94	1.70	0.87
Total	**14.64**	**3.94**	**2.71**	**0.87**

EMPLOYEE BENEFITS

a. Defined contribution plans

The Company makes Provident Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Company recognised Rs.41.38 cr- (Year ended 31st March, 2025: Rs. 29.96 cr) for provident fund contributions, and Rs.5.52 cr (Year ended 31st March, 2025: Rs.4.08 cr) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is 31st March.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities."

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

(i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of obligation	30.70	16.95
Fair Value of plan assets	23.38	18.74
Net Liability/(Asset) recognised in the Balance Sheet	**7.32**	**(1.79)**

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

Particulars	Plan Obligation	Plan Assets	Deficit/ (Surplus)
As at 31st March,2024	**16.87**	**19.23**	**(2.36)**
Current service cost	3.39	-	3.39
Interest cost	1.09	-	1.09
Interest Income	-	1.33	(1.33)
Actuarial gain arising from changes in experience adjustments	(1.44)	-	(1.44)
Actuarial gain arising from changes in financial assumptions	0.48	-	0.48
Contributions by employer	-	1.94	(1.94)
Benefit payments	(3.44)	(3.66)	0.22
Return on plan assets, excluding interest income	-	(0.10)	0.10
As at 31st March, 2025	**16.95**	**18.74**	**(1.79)**
Current service cost	6.28	-	6.28
Past Service cost	3.41	-	3.41
Interest cost	1.13	-	1.13
Interest Income	-	1.43	(1.43)
Actuarial gain arising from changes in experience adjustments	(0.14)	-	(0.14)
Actuarial gain arising from changes in financial assumptions	4.72	-	4.72
Contributions by employer	-	5.05	(5.05)
Benefit payments	(1.65)	(1.65)	-
Return on plan assets, excluding interest income	-	(0.19)	0.19
As at 31st March, 2026	**30.70**	**23.38**	**7.32**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

Particulars	Year ended 31st March, 2026
Employee Benefit Expenses	
Current service cost	6.28
Past Service cost	3.41
Interest cost	1.13
Interest Income	(1.43)
Net impact on profit before tax	**9.39**
Remeasurement of the net defined benefit plans:	
Actuarial gain arising from changes in Financial assumptions	(0.14)
Actuarial (gain)/loss arising from changes in Experience adjustments	4.72
Return on plan assets, excluding interest income	0.19
Net impact on other comprehensive income	**4.77**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	Year ended 31st March, 2025
Employee Benefit Expenses	
Current service cost	3.39
Interest cost	1.09
Interest Income	(1.33)
Net impact on profit before tax	**3.15**
Remeasurement of the net defined benefit plans:	
Actuarial gain arising from changes in Financial assumptions	(1.44)
Actuarial (gain)/loss arising from changes in Experience adjustments	0.48
Return on plan assets, excluding interest income	0.10
Net impact on other comprehensive income	**(0.86)**

(iv) Assets

The major categories of plan assets as a % of the total plan assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Insurance policies	100%	100%

(v) Investment details

Particulars	As at 31st March, 2026	As at 31st March, 2025
Insurance Policies	23.38	18.74

(vi) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate	7.77	6.99
Salary escalation rate	5.00	3.00

(vii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below have been determined based on the reasonably possible changes of the assumptions occuring at the end of the reporting period and may not be representative of the acutal change. It is based on a change in key assumption while holding all other assumptions constant. The result of sensitivity analysis is given below.

Particulars	Defined benefit obligation As at 31st March, 2026	Defined benefit obligation As at 31st March, 2025
Salary Escalation - Up by 1%	35.20	19.43
Salary Escalation - Down by 1%	26.89	14.86
Withdrawal Rates - Up by 1%	31.76	17.83
Withdrawal Rates - Down by 1%	29.47	15.92
Discount Rates - Up by 1%	27.04	14.99
Discount Rates - Down by 1%	35.12	19.31
Mortality Rates - Up by 10%	30.74	16.98
Mortality Rates - Down by 10%	30.66	16.92

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

(viii) Maturity profile of Defined Benefit Obligation

Particulars	Year 1 Current	Year 2-5 Non-Current	Above 5 years Non Current
Defined Benfit Obligation	1.01	5.85	100.51

Note No.18 DEFERRED TAX

The following is the analysis of deferred tax Assets/(Liabilities) presented in the Balance Sheet

Particulars	As at 31st March,2026	As at 31st March, 2025
Liability:		
Towards depreciation	-	-
Asset:		
Disallowances under Income-tax	16.15	9.08
Towards depreciation	8.31	9.54
Total	**24.46**	**18.62**

Movement in Deferred Tax Assets/(Liabilities)

Particulars	As at 31st March, 2024	(Credit)/Charge to Statement of P&L	As at 31st March, 2025	31st March, 2025 (Credit)/Charge to Statement of P&L	As at 31st March, 2026
Deferred tax asset in relation to:					
Depreciation	6.25	(3.29)	9.54	1.23	8.31
Expenses allowable under Income tax when paid	4.78	(4.30)	9.08	(7.07)	16.15
Total	**11.03**	**(7.59)**	**18.62**	**(5.84)**	**24.46**

Note No.19 OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Mobilisation advances received from customers	347.79	139.38	191.25	105.68
b) Advances received from customers against supplies or works	-	-	98.39	8.80
c) Statutory Liabilities	-	-	93.50	67.68
d) Deferred government grants	0.23	0.25	-	-
Total	**348.02**	**139.63**	**383.14**	**182.16**

Note:

i) a) The company received government grants in the nature of export incentives and the same is utilised against import of Capital goods and capitalised to Property, Plant and Equipment.

b) The deferred government grant will be recognised in statement of profit and loss over the period in proportion to the depreciation expense on the assets to which such grant is utilised is recognised.

(ii) The segregation of mobilisation advances received from customers has been made based on the estimated work to be completed in next year and as per the terms of agreement entered with customers,turnover, terms of adjustment of amount and estimates of the management.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.20 SHORT TERM BORROWINGS

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Secured		
1. Loans repayable on demand :		
Working capital loans from Banks		
i) State Bank of India	18.40	127.96
ii) RBL Bank	44.98	88.41
iii) Axis Bank	34.93	20.04
iv) HDFC Bank	24.88	-
v) IDFC First Bank	10.58	49.23
vi) Punjab National Bank	17.52	12.16
vii) Bank of India	16.90	14.93
viii) IndusInd Bank	9.97	11.48
ix) Union bank of India	5.12	30.57
x) Bank of Baroda	37.89	18.07
xi) UCO Bank	9.80	30.87
xii) Central Bank of India	22.22	22.16
xiii) Bandan Bank	5.93	27.51
xiv) Karnataka Bank	3.30	14.35
xv) IOB Bank	4.85	3.93
2. Current maturities of long-term debt (Refer Note no.15)	70.79	33.12
B. Un Secured		
1. Loans repayable on demand :		
a) Working Capital Loans from Banks		
i) Bank of Bahrain & Kuwait*	65.07	63.13
Total	**403.13**	**567.92**

*The borrowing is secured by way of the following:

i) exclusive mortgage on the collateral property of lease hold Industrial Built up property at Noida, UP owned by Power Mech Industri Private Limited and

ii) Corporate Guarantee of Power Mech Industri Private Limited(subsidiary Company).

Note:

a) The Company used the borrowings for the purposes for which they were obtained.

b) Working capital loans from all the banks are secured by way of first charge on entire current assets of the company on pari passu basis. Further these loans are secured by way of first charge on fixed assets both present and future, excluding those assets against which charge was given to equipment financiers.

The said loans are collaterally secured by way of equitable mortgage of immovable properties belonging to the Company, Managing director, director and a firm.

c) Overdraft facility from banks is secured against fixed deposits with banks.

d) All the above loans are guaranteed by Managing Director and a director in their personal capacities.

e) The above loans carries interest varies from 7.75 % to 9.70%

f) The company is not declared as will defaulters by any bank during the year.

g) Registration, Modification and Satisfaction of charges relating to the loans sanctioned/renewed during the year under review, had been filed with the Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.

h) The company has availed working capital facilities against security of current assets. The revised quarterly returns and statements comprising inventories, payables and receivables (including retention and security deposit amounts) filed by the company with the banks subsequent to the quarterly review of accounts are in agreement with the unaudited books of the company of the respective quarters and audited financials in respect of last quarter and no material discrepancies have been noticed.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.21 TRADE PAYABLES

Particulars		As at 31st March, 2026	As at 31st March, 2025
Dues to :	Small and Micro Enterprises	10.32	21.30
:	Other than Small and Micro Enterprises (Including Acceptances)	1,049.91	891.43
Total		**1,060.23**	**912.73**

*The Company has entered into suppliers finance arrangements with finance providers wherein the suppliers are paid by the finance providers and the Company has to honour those dues to the finance providers. These facilities carries interest rate varies from 6.70% to 7.20% and is repayable within 30 to 180 days from the date of invoice. The above amounts of trade payables includes amounts received by suppliers from finance providers amounting to Rs.80.29 cr (P. Year Rs.58.28 cr)

Ageing of Trade Payables as on 31st March, 2026

Particulars	Outstanding for following periods from the date of transaction					
	Unbilled Dues	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	9.71	0.48	0.13	-	10.32
(ii) Others	12.24	819.36	139.82	41.01	37.48	1049.91
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-

Ageing of Trade Payables as on 31st March, 2025

Particulars	Outstanding for following periods from the date of transaction					
	Unbilled Dues	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	-	21.09	0.19	0.00	0.02	21.30
(ii) Others	11.16	735.15	63.74	18.81	62.58	891.43
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on and to the extent of information obtained and available with the Company with regard to the status of their suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT), on which the auditors have relied, the disclosure requirement with regard to the payment made/ due to Micro, Small and Medium Enterprises are given below.

Particulars	As at 31st March, 2026	As at 31st March, 2025
1. Amount remaining unpaid, beyond the appointed / agreed day at the end of the year		
(a) Principal amount of bills to be paid	10.32	21.30
(b) Interest due there on	0.37	0.49
2. (a) Payment made to suppliers, during the year, but beyond appointed / agreed date Interest there on in terms of Sec 16 of the Act	21.30	1.46
(b) Interest paid along with such payments during the year	-	-
(c) Interest due and payable at the end of the year on such payments made during the year.	0.83	0.34
3. Amount of Interest for the year u/s 16 of the Act accrued and remaining un-paid at the end of the year	0.43	0.47
4. Total amount of interest u/s 16 of the Act including that arising in earlier years, accrued and remaining unpaid at end of the year.	1.26	0.83
5. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.22 CURRENT INCOME-TAX (ASSET)/LIABILITIES (NET)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Income-tax	314.55	221.89
Less: Advance Income-tax and TDS	342.40	208.85
	(27.85)	**13.04**

Income-tax recognised in profit or loss

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current Tax		
Tax expense in respect of current year Income	98.18	122.59
Short term provision of Current tax	(4.09)	3.16
	94.09	**125.75**
Deferred Tax		
Deferred Tax credit/(charge) in respect of Current year	(5.84)	(7.59)
	(5.84)	**(7.59)**
Total tax expense recognised in profit or loss	**88.25**	**118.16**

The current income- tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year 2025-26	For the year 2024-25
Profit before tax after OCI adjustments	381.85	419.57
Enacted Tax Rates in India	25.17%	25.17%
Computed Tax expense	96.11	105.60
Add: Tax effects of expenses which are not deductible in determining taxable profit		
- Depreciation difference	(1.25)	2.09
- Expenses(net of Income) not deductible for tax purposes (including temporary timing difference)	2.98	14.68
- Others	0.53	-
Tax on Ind AS adjustments	(0.19)	0.22
Current Tax Provision (A)	**98.18**	**122.59**
Short Provision of Current Tax (B)	**(4.09)**	**3.16**
(Increase) / Decrease of Deferred tax Asset on account of Fixed Assets	1.23	(3.29)
(Increase) / Decrease of Deferred tax Asset on account of other Assets	(7.07)	(4.30)
Deferred Tax Credit (C)	**(5.84)**	**(7.59)**
Total Tax Expense (A+B+C)	**88.25**	**(118.16)**

Note No.23 REVENUE FROM OPERATIONS

Particulars	For the year 2025-26	For the year 2024-25
Contract receipts:		
Income from contracts and services	4,720.10	4,433.31
Other operating revenue :		
Crane and equipment hire charges received	7.55	2.11
Total	**4,727.65**	**4,435.42**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.24 OTHER INCOME

Particulars	For the year 2025-26	For the year 2024-25
Interest from banks and others (at amortized cost)	36.75	35.97
Interest on advances	21.81	19.58
Interest on unwinding portion of Rental Deposits (at amortised cost)	0.12	0.08
Profit on sale of assets	3.74	0.39
Dividend received from Mutual Funds	0.03	-
Gain arising on financial assets mandatorily measured at FVTPL	-	0.01
Gain on exchange fluctuations	1.03	5.30
Interest on Income-tax refund	-	0.61
Deferment of govt. grants	0.03	0.12
Commission on Corporate Guarantee	8.63	4.08
Total	**72.14**	**66.14**

Note No.25 COST OF MATERIALS CONSUMED

Particulars	For the year 2025-26	For the year 2024-25
Opening Stock	150.57	91.29
Add:Purchases	925.20	871.73
	1,075.77	**963.02**
Less : Closing Stock	215.19	150.57
Total	**860.58**	**812.45**

Note No.26 CHANGES IN INVENTORIES OF WORK -IN- PROGRESS

Particulars	For the year 2025-26	For the year 2024-25
Opening work-in-progress	11.32	9.20
	11.32	**9.20**
Closing work-in-progress	3.30	11.32
	3.30	**11.32**
Increase / (Decrease) in inventories	**(8.02)**	**2.12**

Note No.27 CONTRACT EXECUTION EXPENSE

Particulars	For the year 2025-26	For the year 2024-25
Sub-contract expenses	2,323.91	2,195.80
Radiography charges	16.52	12.24
Royalty Charges	0.65	5.69
Hire charges	55.30	45.96
Rent at Project sites	38.94	30.04
Power and fuel	8.07	7.82
Insurance	9.07	7.81
Vehicles movement and other freight expenses	21.66	36.18
Repairs and maintenance : Plant and machinery	30.66	26.07
Other assets	4.73	4.86
Fuel and vehicle maintenance	80.00	70.71
Travelling expenses at projects	12.57	14.04
Total	**2,602.08**	**2,457.22**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.28 EMPLOYEE BENEFIT EXPENSE

Particulars	For the year 2025-26	For the year 2024-25
Salaries and Wages	563.05	513.30
Remuneration to managerial personnel	30.26	22.32
Contribution to provident and other funds	46.90	34.04
Staff welfare expenses	40.59	38.71
Contribution towards group gratuity	9.39	3.15
Total	**690.19**	**611.52**

Note No.29 FINANCE COST

Particulars	For the year 2025-26	For the year 2024-25
Interest paid to banks and others	74.42	61.11
Bank charges and BG commission	14.88	12.96
Loan Processing charges	6.47	6.66
Interest on Income-tax (Net of interest on Income Tax refund)	0.99	4.39
Exchange fluctuations on deferred credit payment	2.41	-
Finance cost on lease liability	0.75	0.71
Commission on Corporate Guarantee	0.70	0.60
Total	**100.62**	**86.43**

Note No.30 DEPRECIATION AND AMORTISATION

Particulars	For the year 2025-26	For the year 2024-25
Depreciation	62.42	44.89
Amortisation of Intangible assets	1.40	0.59
Amortisation of Right-to-use assets	1.67	2.74
Total	**65.49**	**48.22**

Note No.31 OTHER EXPENSES

Particulars	For the year 2025-26	For the year 2024-25
Directors Sitting Fee	0.22	0.17
Donations	0.20	-
Payments to auditors		
Towards Statutory audit	0.25	0.25
Towards tax audit and taxation matters	0.01	0.01
Rates and taxes	10.95	9.19
Consultancy and Professional charges	33.98	21.40
Loss arising on financial assets mandatorily measured at FVTPL	0.04	-
Miscellaneous expenses	32.87	21.51
Provision towards doubtful debts and advances	0.35	6.86
CSR expenses	6.85	4.87
Loss on sale of assets	0.02	0.50
Assets written off	0.33	4.39
Investments in subsidiaries written off	0.12	-
Total	**86.19**	**69.15**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note: 32 Categories of Financial instruments

The Carrying amounts and fair value of financial instruments by categories as at 31st March, 2026 and 31st March, 2025 are as follows:

Particulars	Carrying value		Fair value	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Financial assets				
Measured at Amortised cost				
(i) Other financial assets	1,400.25	1,208.50	1,399.82	1,207.93
(ii) Loans and advances	442.57	341.41	442.57	341.41
(iii) Investment in Debentures of a Subsidiary company	0.01	0.01	0.01	0.01
Measured at FVTOCI				
(i) Investments in equity instruments/Mutual Funds	0.02	0.02	0.08	0.09
Measured at FVTPL				
(i) Investments in Mutual Funds	0.37	0.37	0.52	0.56
Measured at cost				
(i) Investment in Subsidiaries,LLP's, Joint ventures & Associates	14.78	14.00	14.78	14.00
Total assets	**1,858.01**	**1,564.31**	**1,857.78**	**1,564.00**
Financial liabilities				
Measured at amortised cost				
(i) Borrowings (including current maturities of Long term borrowings)	148.18	89.92	148.18	89.92
(ii) Other financial liabilities	383.51	337.25	383.51	337.25
(iii) Lease liabilities	9.35	11.78	9.35	11.78
Total liabilities	**541.04**	**438.95**	**541.04**	**438.95**

Note: 33 Fair value hierarchy

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets are measured at the fair value at the end of each reporting period.

The following table gives information about how the fair value of these financial assets and financial liabilities are determined in particular, the valuation technique and other inputs used.

Financial Assets	Fair Value as at		Fair Value hierarchy	Valuation technique and key input
	31st March, 2026	31st March, 2025		
1) Investments in Quoted Mutual Funds	0.60	0.65	Level I	Quoted bid prices in an active market
2) Investments in Quoted Equity Instruments*	0.00	0.00	Level I	Quoted bid prices in an active market

* Amounts below Rs. 1 lakh

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and short term borrowings at carrying value because their carrying amounts approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of long term borrowings, other financial assets and financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note: 34 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, trade and other receivables.

The Company's business activities are exposed to a variety of financial risks namely credit risk, liquidity risk and foreign currency risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Board of Directors of the Company.

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness. Credit risk is controlled by monitoring and interaction with the customers on a continous basis.

Financial instruments that are subject to concentration of credit risk principally consists of trade receivables, retentions, deposits with customers and unbilled revenue.

Receivables from customers

Concentration of credit risk with respect to trade receivables are limited since major customers of the company are from public sector and accounts for 25% of its trade receivables. All trade receivables are reviewed and assessed for default on a monthly basis. On historical experience of collecting receivables credit risk is low.

The following table gives details in respect of dues from trade receivables including retention and deposit amounts.

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Turnover from top Customer	590.43	494.47
Dues from top customer	349.60	275.39
Turnover from other top 4 customers	1,357.32	1,341.64
Dues from other top 4 customers	491.65	513.14

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks held as margin money against guarantees and retention money and security deposits with customers which are to be released on fulfillment of conditions as specified in the work orders.

The Company's maximum exposure of credit risk as at 31st March, 2026, 31st March, 2025 is the carrying value of each class of financial assets.

B. Foreign currency risk management

Foreign currency risk is the risk that the Fair value or Future cashflows of an exposure will fluctuate due to changes in foreign currency rates. Exposures can arise on account of various assets and liabilities which are denominated in currencies other than Indian rupee. The Company has not entered in to any forward exchange contract to hedge against currency risk.

a) The company, in addition to its Indian operations, operates outside India through its project centres.

Particulars of Unhedged foreign currency exposures of Indian operations as at Balance sheet date:

Particulars	Currency	As at 31st March, 2026	As at 31st March, 2025
Letter of Credit	USD	29.21	20.00

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

b) The Income and expenditure of the foreign projects are denominated in currencies other than Indian Currency. Accordingly the company enjoys natural hedge in respect of its assets and liabilities of foreign projects. The company's unhedged foreign currency exposure in respect of these project centres is limited to uncovered amount, the particulars of which are given below.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net Investment in		
USD - US Dollars	-	0.14
AED - Arab Emirates Dirham	108.57	80.29
BDT - Bangladeshi Taka	20.72	20.60
KWD - Kuwaiti Dinar	-	(1.78)
	129.29	99.25

The company does not have any risk of currency fluctuation since it's entire liability in foreign currency is covered by its receivables.

The unhedged exposures are naturally hedged by future foreign currency earnings linked to foreign currency.

The uncovered amount if any, is subject to foreign currency fluctuations.

C. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has availed credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2026 and 31st March, 2025. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure that it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits.

The company is repaying its borrowings as per the schedule of repayment and no amount was pending for remittance beyond its due date.

In case of borrowings from banks, the maturity pattern has been given under Note no. 15.

D. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary, adjust its capital structure.

The following table summarises the capital of the company.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Equity	2,394.97	2,105.32
Short Term Borrowings	332.34	534.80
Long Term Borrowings (including Current maturities of Long term debt)	148.18	89.92
Cash and Cash Equivalents (including other bank balances)	(462.15)	(574.24)
Net Debt	**18.37**	**50.48**
Total Capital (Equity+Net Debt)	2,413.34	2,155.80
Gearing Ratio (Net Debt / Equity)	**0.77%**	**2.40%**

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note	Particulars	31st March, 2026	31st March, 2025
35	**Contingent Liabilities and Commitments**		
	A Contingent Liabilities		
	a) Claims against the company not acknowledged as debts		
	VAT	-	2.28
	Goods & Service Tax (GST)	5.76	9.86
	b) Guarantees		
	Corporate guarantee given to bank in respect of limits sanctioned to subsidiary companies to the extent of balance outstanding (Guarantees given for their business activities)		
	– Kalyaneswari Tasra Mining Pvt Ltd	128.90	136.33
	– Deogarh Ring Road Projects Private Limited	79.99	-
	c) The Company has filed claims and has also filled counter claims in several legal disputes related to construction contracts and same are pending before legal authorities. The Management does not expect any material adverse affect on its financial position.		
	B. Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	329.57	85.16
36	Guarantees given by the company's bankers and outstanding. The said guarantees were covered by way of pledge of Fixed Deposit receipts with the bankers.	2,807.58	1,661.46
37	**CIF value of Imports made by the company during the year**		
	a) Consumables & Spare parts	7.12	10.75
	b) Capital goods	18.05	38.22
38	**Earnings in foreign currency**		
	Abu Dhabi	228.81	161.57
	Bangladesh	10.72	-
	Nigeria	74.60	68.11
	Sharjah	-	0.12
	Saudi	-	0.12
	Qatar	1.52	1.62
	Israel	-	0.27
	Senegal	2.79	2.76
39	**Expenditure in foreign currency**		
	a) Expenditure on contracts executed outside India (Including Consumables and Spares)		
	Abu Dhabi	175.43	129.44
	Bangladesh	12.11	57.50
	Kuwait	-	0.18
	Sharjah	-	0.04
	b) Foreign travel	0.04	0.17

40. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
a) Gross amount required to be spent by the company during the year	6.76	4.71
b) Amount spent during the year (Contribution paid to Power Mech Foundation/others)	6.85	4.87
c) Related party transactions in relation to Corporate Social Responsibility	1.53	3.52
d) Details of (excess)/short amount spent	(0.08)	(0.15)
e) Nature of CSR activities undertaken by Power Mech Foundation		
(i) Providing Education		
(ii) Promoting health care		
(iii) Facilities for setting up home for Orphanages & Old-Age homes		

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

41. Particulars disclosed pursuant to IND AS-24 "Related party transactions"

A)

i) Key Managerial personnel	S. Kishore Babu, Chairman and Managing director S. Rohit, Whole time director (w.e.f 08.08.2025)
ii) Directors	S. Lakshmi w/o S.Kishore Babu M Rajiv Kumar J P Chalasani Vivek Paranjpe Lasya Y Bontha Prasada Rao
iii) Relatives of Key Managerial personnel	S. Kishore Babu (HUF) S. Vignatha D/o S.Kishore Babu Nekkanti Sri Sidartha (Son-in-Law of S.Kishore Babu) Aishwarya Kurra (Daughter-in-Law of S.Kishore Babu)
iv) Companies/Firms controlled by KMP/Relatives of KMP	Power Mech Infra Private Limited Bombay Avenue Developers Private Limited Power Mech Foundation Lakshmi Agro Farms Vaishno Infra Services Zetexa Global Private Limited Oprete.AI Private Limited Gaming ISLE Private Limited Southern Foods Oprete.AI Inc
v) Subsidiary companies	Hydro Magus Private Limited Power Mech Industri Private Limited Power Mech Projects Limited LLC Power Mech BSCPL Consortium Private Limited Power Mech SSA Structures Private Limited Power Mech projects (BR) FZE KBP Mining Private Limited Kalyaneswari Tasra Mining Private Limited PMTS Private Limited Vindyavasini Mining Works LLP Vanshika Mining Works LLP Kailash River Bed Minerals LLP Velocity Mining Works LLP Power Mech Arabia Contracting Company Suryatna Projects Private Limited PM Green Private Limited Deoghar Ring Road Projects Private Limited Energy Advisory and Consulting Services Private Limited (Closed on dt. 30.11.2025) Power Mech Environmental Protection Private Limited (Closed on dt. 30.11.2025) Aashm Avenues Private Limited (Closed on dt. 10.02.2026)
vi) Joint Venture	GTA Power Mech Nigeria Limited M/S POWER MECH-M/S ACPL JV PMPL-STS-JV Power Mech-Khilari Consortium JV PMPL-SRC INFRA JV - (Mizoram) PMPL-SRC INFRA JV - (Hassan) PMPL-BRCC INFRA JV PMPL-PIA JV PMPL-KVRECPL Consortium JV

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

	RITES-PMPL JV
	SCPL-PMPL JV
	PMPL-TAIKISHA JV
	PMPL-RSVCPL JV
	PMPL-UPPER BURHNER JV
	POWER MECH - KMV JV
	GTA Power Mech DMCC
vii) Associate companies	Mas Power Mech Arabia
	Power Mech LLC Qatar
viii) Wholly Owned Subsidiary of a Joint Venture company	GTA Power Mech FZE

B) Transactions with related parties

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
i)	**Rent Paid (Excluding GST)**						
a)	S. Kishore Babu	0.12					
		(0.31)					
b)	S. Lakshmi	0.12					
		(0.12)					
c)	S.Vignatha		0.12				
			(0.12)				
d)	Power Mech Infra Private Limited			3.40			
				(3.03)			
ii)	**Remuneration Paid**						
a)	S. Kishore Babu	20.67					
		(22.32)					
b)	S.Rohit	9.59					
		(0.97)					
iii)	**Sub-Contract Expenses & Hire charges Paid**						
a)	Vaishno infra services			2.01	-		
				(0.81)	-		
b)	PMTS Private Limited				0.15		
					-		
iv)	**Stores Material Purchased from**						
a)	Power Mech Industri Private Limited				0.01		
					-		
v)	**Receipts from Sale of assets**						
a)	Sajja Siva Rama Krishna Prasad		-				
			(0.00)				
vi)	**Assets purchased from**						
a)	PMTS Private Limited				-		
					(4.60)		
b)	Power Mech Industri Private Limited				0.12		
					-		
vii)	**Payment of Consultancy service**						
a)	PMTS Private Limited				3.62		
					-		
b)	Rajeev kumar	0.53					
		(0.53)					
viii)	**Receipts from Commission on Corporate Guarantee**						
a)	Kalyaneswari Tasra Mining Private Limited				1.52		
					(1.52)		
b)	KBP Mining Private Limited				2.56		
					(2.56)		

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
c)	Deoghar Ring Road Projects Private Limited				4.55		
					-		
ix)	**Contract receipts from sale of services**						
a)	Power Mech LLC (Qatar)						1.52
							(1.62)
b)	M/s. Power Mech - M/s. ACPL JV					13.67	
						(40.32)	
c)	Power Mech-STS-JV					6.19	
						(4.32)	
d)	Power Mech-Khilari Consortium JV					1.56	
						-	
e)	PMPLSRC INFRA JV - (Mizoram)					12.71	
						(93.74)	
f)	PMPL SRC INFRA JV (Hassan)					18.16	
						(25.39)	
g)	PMPL - PIA JV					44.18	
						(13.55)	
h)	PMPL KVRECPL Consortium JV					0.59	
						(1.16)	
i)	PMPL-BRCC INFRA JV					0.08	
						(473.99)	
j)	RITES-PMPL JV					43.44	
						(141.90)	
k)	M/s.SCPL-PMPL JV					1.01	
						(0.72)	
l)	POWER MECH-TAIKISHA JV					100.85	
						(41.91)	
m)	PMPL-RSVCPL JV					88.04	
						(73.56)	
n)	PMPL UPPER BURHNER JV					112.27	
						(12.83)	
o)	POWER MECH-KMV JV					81.44	
						-	
p)	Kalyaneswari Tasra Mining Private Limited				28.44		
					(29.29)		
q)	Vindyavasini Mining Works LLP				0.17		
					(0.73)		
r)	Power Mech SSA structures Pvt Ltd				-		
					(13.25)		
s)	Power Mech Projects (BR) FZE				1.68		
					(4.58)		
t)	Power Mech Arabia Contracting Company				-		
					(0.12)		
u)	KBP Mining Private Limited				3.91		
					-		
v)	Kailash River Bed Minerals LLP				2.82		
					-		
w)	Deoghar Ring Road Projects Private Limited				41.63		
					-		
x)	**Donations/CSR Contributon paid**						
a)	Power Mech foundation			1.53			
				(3.52)			

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
xi) Sitting fee paid to directors							
a)	Bontha Prasada Rao	0.02					
		-					
b)	Vivek Paranjpe	0.05					
		(0.05)					
c)	Lasya Yerramneni	0.07					
		(0.06)					
d)	J P Chalasani	0.08					
		(0.06)					
xii) Interest received							
a)	Vindyavasini Mining Works LLP				5.49		
					(5.71)		
b)	Vanshika Mining Works LLP				4.76		
					(4.61)		
c)	Velocity Mining Works LLP				5.84		
					(5.88)		
d)	Kailash River Bed Minerals LLP				4.66		
					(3.18)		
e)	Power Mech LLC (Qatar)						0.12
							(0.21)
xiii) Loans Given							
a)	Power Mech Industri Private Limited				13.33		
					(28.05)		
b)	Power Mech SSA Structures Private Limited				0.00		
					(0.03)		
c)	KBP Mining Private Limited				25.74		
					(12.07)		
d)	Kalyaneswari Tasra Mining Private Limited				42.04		
					(56.53)		
e)	Vindyavasini Mining Works LLP				4.00		
					(17.26)		
f)	Vanshika Mining Works LLP				-		
					(14.01)		
g)	Kailash River Bed Minerals LLP				15.00		
					(19.57)		
h)	Velocity Mining Works LLP				-		
					(32.13)		
i)	PMTS Private Limited				-		
					(0.17)		
j)	Suryatna Projects Private Limited				3.78		
					-		
k)	PM Green Private Limited				0.63		
					-		
l)	Deoghar Ring Road Projects Private Limited				23.05		
					-		
m)	Power Mech LLC (Qatar)						-
							(1.26)
xiv) Loan Recovered							
a)	Power Mech Industri Private Limited				22.22		
					(39.36)		
b)	KBP Mining Private Limited				-		
					(1.15)		

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
c)	Kalyaneswari Tasra Mining Private Limited				-		
					(0.68)		
d)	Vindyavasini Mining Works LLP				10.75		
					(2.50)		
e)	Vanshika Mining Works LLP				-		
					(1.15)		
f)	Power Mech LLC (Qatar)						2.15
							(1.04)
g)	PMTS Private Limited				-		
					(0.18)		
h)	Kailash River Bed Minerals LLP				16.00		
					-		
xv) Mobilisation advance received							
a)	Deoghar Ring Road Projects Private Limited				83.63		
					-		
xvI) Corporate Guarantee Given							
a)	Deoghar Ring Road Projects Private Limited				455.00		
					-		
xvII) Corporate Guarantee Commission paid							
a)	Power Mech Industri Private Limited				0.70		
					(0.60)		
xvIII)Loan taken							
a)	Power Mech Infra Private Limited			5.00			
				-			
xvIv) Loan repaid							
a)	Power Mech Infra Private Limited			5.00			
				-			

C) Balances outstanding as on 31st March, 2026

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
i)	Investment in Hydro Magus Private Limited				2.94		
					(2.94)		
ii)	Investment in Power Mech Industri Private Limted				4.31		
					(4.31)		
iii)	Investment in MAS Power Mech Arabia						2.26
							(2.26)
iv)	Investment in Power Mech LLC (Qatar)						0.12
							(0.12)
v)	Investment in Power Mech Projects Limited LLC				3.02		
					(3.02)		
vi)	Investment in Power Mech BSCPL consortium Private Limited				0.01		
					(0.01)		
vii)	Investment in Power Mech SSA Structures Private Limited				0.10		
					(0.10)		

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
viii)	Investment in Aashm Avenues Private Limited				-		
					(0.10)		
ix)	Investment in Power Mech Power Mech Projects (BR) FZE				0.69		
					(0.69)		
x)	Investment in Power Mech Environmental Protection Private Limited				-		
					(0.01)		
xi)	Investment in Energy Advisory and Consulting Services Private Limited				-		
					(0.01)		
xii)	Investment in KBP Mining Private Limited				0.01		
					(0.01)		
xiii)	Investment in Kalyaneswari Tasra Mining Private Limited				0.01		
					(0.01)		
xiv)	Investment in PMTS Private Limited				0.01		
					(0.01)		
xv)	Investment in Kailash River Bed Minerals LLP				0.01		
					(0.01)		
xvi)	Power Mech Arabia Contracting Company				0.87		
					-		
xvii)	PM Green Private Limited				0.01		
					-		
xviii)	Deoghar Ring Road Project Private Limited				0.01		
					-		
xix)	Suryatna Projects Private Limited				0.01		
					-		
xx)	Investment in GTA Power Mech Nigeria Limited					0.32	
						(0.32)	
xxi)	Investment in GTA Power Mech DMCC (Company with limited liability)					0.09	
						(0.09)	
xxii)	Debentures in KBP Mining Private Limited				0.01		
					(0.01)		
xxiii)	Due from Power Mech Infra Private Limited			1.43			
				(1.38)			
xxiv)	Rental Deposit with Power Mech Infra Private Limited			1.61			
				(1.61)			
xxv)	Remuneration Payable						
	S. Kishore Babu	3.82					
		(2.42)					
	S. Rohit	3.10					
		(0.06)					
xxvi)	Rent Payable						
	S. Kishore Babu	0.00					
		(0.00)					

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
	S. Lakshmi	0.01					
		(0.01)					
	S.Vignatha		0.01				
			-				
xxvii)	Advances Due from Power Mech Industri Private Limited				6.39		
					(15.27)		
xxviii)	Advances Due from Power Mech SSA Structures Private Limited				2.25		
					(2.25)		
xxix)	Advances Due from KBP Mining Private Limited				55.25		
					(29.52)		
xxx)	Advances Due from Kalyaneswari Tasra Mining Private Limited				126.47		
					(84.43)		
xxxi)	Advances Due from Vindyavasini Mining Works LLP				55.66		
					(56.92)		
xxxii)	Advances Due from Vanshika Mining Works LLP				49.94		
					(45.65)		
xxxiii)	Advances Due from Kailash River Bed Minerals LLP				40.82		
					(37.62)		
xxxiv)	Advances Due from Velocity Mining Works LLP				59.79		
					(54.54)		
xxxv)	Advances Due from Deoghar Ring Road Projects Private Limited				23.05		
					-		
xxxvi)	Advances Due from Suryatna Projects Private Limited				3.78		
					-		
xxxvii)	Advances Due from PM Green Private Limited				0.63		
					-		
xxxviii)	Advances Due from GTA Power Mech FZE					0.72	
						(0.72)	
xxxix)	Advances Due from Power Mech LLC (Qatar)						-
							(2.03)
xl)	Trade Receivable - Hydro Magus Private Limited				5.97		
	(including Retention money and Security Deposits)				(4.58)		
xli)	Trade Receivable - Power Mech Projects Limited LLC				-		
					-		
xlii)	Trade Receivable - Power Mech BSCPL Consortium Private Limited				3.73		
	(including Retention money and Security Deposits)				(35.42)		
xliii)	Trade Receivable - Mas Power Mech Arabia						10.65
							(10.65)

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
xliv)	Trade Receivable - Power Mech LLC (Qatar)						3.13
							(1.63)
xlv)	Trade Receivable -Power Mech Projects (BR) FZE				4.55		
					(6.09)		
xlvi)	Trade Receivable - Power Mech Projects Limited LLC				0.62		
					(0.56)		
xlvii)	Trade Receivable - M/S POWER MECH-M/S ACPL JV					14.00	
	(including Retention money and Security Deposits)					(33.38)	
xlviii)	Trade Receivable - PMPL-STS JV					0.87	
	(including Retention money and Security Deposits)					(1.51)	
xlix)	Trade Receivable - PMPL-KHILARI Consortium JV					10.42	
	(including Retention money and Security Deposits)					(7.87)	
L)	Trade Receivable - PMPL-SRC INFRA JV - Mizoram					11.06	
	(including Retention money and Security Deposits)					(33.03)	
Li)	Trade Receivable - PMPL-SRC INFRA JV - Hassan					10.43	
	(including Retention money and Security Deposits)					(9.13)	
Lii)	Trade Receivable - PMPL-PIA JV					9.71	
	(including Retention money and Security Deposits)					(3.21)	
Liii)	Trade Receivable - PMPL-KVRECPL Consortium JV					0.24	
	(including Retention money and Security Deposits)					(0.81)	
Liv)	Trade Receivable - PMPL-BRCC INFRA JV					90.36	
	(including Retention money and Security Deposits)					(285.87)	
LV)	Trade Receivable - RITES-PMPL JV					0.32	
	(including Retention money and Security Deposits)					(1.06)	
LVi)	Trade Receivable - SCPL-PMPL JV					0.07	
	(including Retention money and Security Deposits)					(0.00)	
LVii)	Trade Receivable - POWER MECH-TAIKISHA JV					26.17	
	(including Retention money and Security Deposits)					(9.83)	
LViii)	Trade Receivable - PMPL RSVCPL JV					20.57	
	(including Retention money and Security Deposits)					(8.02)	
LIX)	Trade Receivable - Vindyavasini Mining Works LLP				1.58		
	(including Retention money and Security Deposits)				(1.38)		

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/ Relatives of KMP	Subsidiary Company/ LLP	Joint Venture	Associate Company
LX)	Trade Receivable - Kalyaneswari Tasra Mining Private Limited				36.07		
	(including Retention money and Security Deposits)				(18.08)		
LXI)	Trade Receivable -Power Mech SSA structures Pvt Ltd				1.36		
	(including Retention money and Security Deposits)				(1.36)		
LXII)	Trade Receivable - PMPL Upper Burhner JV					28.23	
	(including Retention money and Security Deposits)					(0.51)	
LXIII)	Trade Receivable - Power Mech Arabia Contracting Company				0.12		
	(including Retention money and Security Deposits)				(0.12)		
LXIV)	Trade Receivable - Deoghar Ring Road Project Private Limited.				48.29		
					-		
LXV)	Trade Receivable - PMPL-KMV JV					18.13	
	(including Retention money and Security Deposits)					-	
LXVI)	Mobilisation advance from GTA Power Mech FZE					10.13	
						(10.13)	
LXVII)	Advance from GTA Power Mech FZE					1.87	
						(1.87)	
LXI)	Trade Payable to Power Mech Projects (BR) FZE				0.37		
					(0.37)		
LXIX)	Trade Payable to PMTS Private Limited				0.17		
					(0.48)		
LXX)	Trade Payable to Vaishno infra service			0.07			
				0.03			
LXXI)	Security Deposit -Power Mech BSCPL Consortium Private Limited				1.12		
					(1.12)		
LXXII)	Commission receivable - Deoghar Ring Road Project Private Limited.				4.91		
					-		
LXXIII)	Mobilisation advance payable to - Deoghar Ring Road Project Private Limited.				83.63		
					-		
LXXIV)	Corporate guarantees given to extant of balance outstanding						
	Kalyaneshwari Tasara Mining private Limited				128.90 (136.33)		
	Deoghar Ring Road Project Private Limited.				79.99 -		

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

42 Balances with all the customers and suppliers accounts are subject to confirmation and reconciliation.

43 Segment reporting:

Business Segment : The company prodominently operates only in construction and maintenance activities. This in the context of IND AS - 108 ""Operating Segments "" is considered to constitute only one business segment."

Geographical Segment: The Company has operations within India and outside India and as per ind as 108 - ""operating segment "", the Segment information has been presented under the notes to consolidated financial statements."

44 Key Financial Ratios

Particulars	Numerator	Denominator	Unit of Measurement	FY 2025-26	FY 2024-25	Variation in %
Current Ratio	Current Assets	Current Liabilities	No.of times	1.95	1.93	1%
Debt-Equity Ratio #	Total Debt	Shareholder's Equity	No.of times	0.20	0.30	(32%)
Debt Service Coverage Ratio #	Earnings available for debt service	Debt Service	No.of times	2.30	3.25	(29%)
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	%	13%	15%	(14%)
Inventory Turnover Ratio *	Cost of Goods sold	Average Inventory	No.of times	4.48	6.21	(28%)
Trade receivables Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	No.of times	3.25	3.74	(13%)
Trade payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	No.of times	3.31	3.86	(14%)
Net Capital Turnover Ratio	Net Sales	Working Capital	No.of times	2.41	2.51	(4%)
Net Profit Ratio	Net Profit	Net Sales	%	6%	7%	(7%)
Return on Capital Employed	Earning before interest and taxes	Capital Employed	%	14%	14%	(2%)
Return on Investment	Income during the year	Time weighted average of investments				
(a) Return on Mutual fund^			%	(3%)	2%	(214%)
(b) Return on Long-term investments			%	0%	0%	

Variance in Debt Equity ratio and Debt Service Coverage Ratio is on account of non-utilisation of working capital facilities during the year

* Variance decreases on account of increase in inventory during the year

^ Variance is on account of decrease in NAV of the funds invested.

45 Calculation of Earnings per Share:

Sl.No	Particulars	2025-26	2024-25
1)	Basic and Diluted Earning per share		
	No. of shares at the beginning of the year	3,16,16,292	1,58,08,146
	Change in equity during the year	-	1,58,08,146
	Total Weighted average number of shares	3,16,16,292	3,16,16,292
	Face value per share (in Rs)	10.00	10.00
	Profit attributable to equity share holders	298.37	300.55
	Basic and Diluted Earning per share (in Rs)	94.37	95.05

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

46 Leases

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) The following is the breakup of current and non-current lease liabilities		
Current liabilities	2.78	3.45
Non-current liabilities	6.57	8.33
Total	**9.35**	**11.78**
(ii) The following is the movement of lease liabilities		
Balance at the Opening/Transition date	11.78	3.99
Additions during the year	–	10.72
Disposal during the year	–	(1.07)
Finance cost accrued during the year	0.75	0.71
Payment of lease liabilities during the year	(3.18)	(2.57)
Balance at the end	**9.35**	**11.78**
(iii) Maturity analysis of lease liabilities		
Less than one year	2.78	3.45
One to five years	6.57	8.33
More than five years	–	–
Total	**9.35**	**11.78**

(iv) The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest on lease liabilities (Refer Note 29)	0.75	0.71
Depreciation of Right-of-use assets (Refer Note 4.2)	1.67	2.74
Rent expenditure that would have been charged to the Statement of Profit and Loss under Ind AS 17	3.18	2.57

(v) The impact on the profit for the year is not material.

47 Disclosure pursuant to Indian Accounting Standards

a) Movement in expected credit losses :

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Provision on contract assets		Provision on contract assets	
	Retention money & security deposits with customers & Debtors	Advances given to sub contractors against works	Retention money & security deposits with customers & Debtors	Advances given to sub contractors against works
Opening balance as at 1st April, 2025	14.62	6.86	9.64	4.98
Changes in allowance for expected credit loss				
– Provision for expected credit loss	–	0.35	4.98	1.88
– Reversal of Provision for expected credit loss	–	–	–	–
Closing balance as at 31st March, 2026	**14.62**	**7.20**	**14.62**	**6.86**

Pursuant to Ind AS 115 " Revenue from contracts with customers "

b) Movement in contract balances :

Particulars	As at 31st March, 2026	As at 31st March, 2025	Net increase/ Decrease
Contract Receivables			
Dues from customers	1,505.11	1,403.99	101.12
Contract assets			
Retention & SD amounts due from customers	381.01	307.66	73.35
Contract payables			
Due to Sub Contractors	604.39	616.25	(11.84)
Contract Liabilities			
Retention & SD amount due to Sub Contractors	203.01	183.50	19.51

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

C) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price :

There is no difference in the contract price negotiated and the revenue recognised in the statement of profit and loss for the current year. There is no significant revenue recongnized in the current year from performance obligations satisfied in the previous periods .

D) Performance obiligation :

The transaction price allocated to the remaining performance obligations is ₹ 15,357 Cr which will be recognised as revenue over the respective project durations. Generally the project duration of contracts with customers will be 1-3 years.

48 Dividend:

The board of Directors at its meeting held on 20th May, 2026 have recommended a final dividend of ₹ 1.50/- each per share of face value of ₹ 10/- each for the financial year ended 31st March, 2026. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognised as a liability.

49 Disclosure as per Regulation 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(i) Loans and advances in the nature of advances given to Subsidiary/Joint Venture Companies:

Particulars	Balance as on 31st March, 2026	Maximum Balance Outstanding for the year 2025-26	Balance as on 31st March, 2025	Maximum Balance Outstanding for the year 2024-25
Subsidaries				
Power Mech Industri pvt ltd	6.39	18.07	15.27	31.94
Power Mech SSA Structures Private Limited	2.25	2.25	2.25	2.25
KBP Mining Private Limited	55.25	55.25	29.52	32.49
Kalyaneswari Tasra Mining Private Limited	126.47	126.47	84.43	84.43
Vindyavasini Mining Works LLP	55.66	62.31	56.92	57.14
Vanshika Mining Works LLP	49.94	49.94	45.65	45.68
Kailash River Bed Minerals LLP	40.82	52.63	37.62	37.62
Velocity Mining Works LLP	59.79	59.79	54.54	54.54
PMTS Private Limited	-	-	-	0.37
Deoghar Ring Road Projects Private Limited	23.05	23.05	-	-
Suryatna Projects Private Limited	3.78	3.78	-	-
PM Green Private Limited	0.63	0.63	-	-
Wholly owned subsidiary of Joint venture				
GTA Power Mech FZE	0.72	0.72	0.72	0.72
(Subsidiary of GTA Power Mech Nigeria JV)				
Associate Company				
Power Mech LLC (Qatar)	-	2.03	2.03	2.03

(ii) Details of investments made and guarantees given under Section 186 of the Companies Act, 2013 are disclosed in Note 6 and Note 36 respectively.

(iii) All the above loans and guarantees were given for carrying on their business activities.

50 Other disclosures: Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(a) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

(b) Compliance with number of layers of companies

The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.

Notes to the Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

(c) Scheme of arrangements

There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

(d) Advance or loan or investment to intermediaries and receipt of funds from intermediaries

The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(e) Undisclosed Income

The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

(f) Details of Crypto Currency or Virtual Currency

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are no applicable.

51 Wage Code

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. Based on the draft rules and FAQs issued by the ministry of labour and employment and best available information, the Company has assessed the implications of Labour Codes which has resulted in increase in gratuity liability arising out of past service cost by Rs. 3.41 Cr. Considering the impact arising out of an enactment of the new legislation is not material to the financial statements, the amount has been recognised as part of employee benefits expense in the Statement of Profit and Loss and has not been presented separately as an exceptional item for the year ended 31st March, 2026. The Company continues to monitor the finalisation of central/state rules and other developments pertaining to labour codes and would provide appropriate accounting effect based on the developments, if any.

52 Previous year figures have been regrouped wherever necessary to confirm to current year classification.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN:26202309KFMTDH2741

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN:00971313

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Independent Auditors' Report

To the Members of
POWER MECH PROJECTS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of POWER MECH PROJECTS LIMITED (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Joint ventures and associates comprising of the Consolidated Balance Sheet as at 31st March, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of overseas subsidiaries, Joint Ventures and Associates which have not been audited, the accompanying Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of affairs of the Group and its JV and associate as at 31st March, 2026 and its Profit, total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements. We have determined the matters described below to be the key audit matters to be communicated in our report.

SL No	Key Audit matter	How the matter was addressed in our audit
1	**Revenue recognition of long-term contracts of the Holding company** The holding company has revenue from construction contracts and long-term operating and maintenance agreements. Revenue related to these construction contracts is recognised using the percentage completion method, where progress is determined with reference to completion of physical proportion of the work to the extent of work certified by the customer and revenue is also recognised in case of works pending certification as on date of balance sheet. The holding company raised invoices on monthly basis based on the physical proportion of the work completed.	Our procedures in respect of recognition of construction contract revenue and related portion of work completed included the following: (a) Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to measurement sheets to confirm portion of work completed for recognition of contract revenue and review and approval thereof. (b) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers". As part of our audit, we obtained an understanding of the methodology applied, the internal process and controls used for determination of the physical proportion of work completed. We evaluated the process and systems used to record the quantum of work completed against which invoices were raised.

SL No	Key Audit matter	How the matter was addressed in our audit
	We focussed this area because of significant management judgement required in: Estimation of the physical proportion of the contract work completed for the contracts and particularly in case of those works which were pending for certification by the customer as on date of balance sheet which may lead to over or under statement of revenues and profits.	In respect of construction projects, for selected samples of contracts, we obtained work completion certificates, measurement work sheets from project engineers and also obtained certificate of confirmations of work completed from customers to assess the appropriateness of management estimates of the physical proportion of work completed. Further we also examined the payment advices received subsequent to the balance sheet date which confirms the extent of work completed and certified for which revenue was recognised. In case of those works which were pending certification as on date of balance sheet, we obtained payment advices from the customers related to the said works, post balance sheet date.
2	**Trade receivables of Holding company** The Holding company has significant amount of trade receivables (Including retention and security deposits) and their recoverability requires management judgement due to the specific risks associated with these receivables. There is an element of management judgement in assessment of extent of the recoverability of long outstanding trade receivables after the end of the contractual credit period. Management assessed the recoverability of trade receivables by reviewing customers ageing profile, credit history, nature and ownership of organisation and status of subsequent settlements and determined whether an impairment provision is required. We considered this matter to be significant to our audit due to the quantum of the receivables and their period of outstanding.	Our audit procedures in relation to the recoverability of trade receivables included • Understood and tested the holding company's credit control procedures and tested key controls over granting credit to customers • Tested ageing of trade receivables at the year ended on a sample basis • Obtained list of long outstanding receivables and identified any debtors with financial difficulty through discussion with management. • Assessed the recoverability of these outstanding receivables through our discussion with management and with reference to detailed receivables listings for the subsequent period. • Also examined the arrangements/correspondences with customers to assess the payment arrangement agreed with the customers and assessed the recoverability of the significant outstanding receivables. • Assessed the recoverability of the balances by comparing the outstanding amounts as at year end against subsequent recoveries • The status and their organisational structure was also examined with reference to the credit risk and their creditability in making payments since most of the customers are government organisations. Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, project status, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any. Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables. Assessed the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III. Considering all these, we found that the judgment made by the management in assessment of recoverability of receivables are found to be appropriate.

SL No	Key Audit matter	How the matter was addressed in our audit
3	**Advances with sub-contractors in Holding Company** The Holding Company has significant amount of Trade advances with Sub-contracts and their recoverability/ adjustment against subsequent works carried requires management judgement due to the specific risks associated with these recoveries. There is an element of management judgement in assessment of extent of the recoverability of long outstanding trade advances after the end of the contractual credit period. Management of the parent company assessed the recoverability of these trade advances by reviewing the contractors ageing profile, credit history, subsequent orders proposed to be placed with them, nature and ownership of organisation and status of subsequent settlements and determined whether an impairment provision is required. We considered this matter to be significant to our audit due to the quantum of the advances and their period of outstanding.	Our audit procedures in relation to the recoverability of trade advances to sub-contractors provided while execution of sub-contracts awarded included. • Understood and tested the Holding Company's policies of providing advances and tested the design and operating effectiveness of key controls over granting of advances to sub-contractors. • Tested ageing of advances recoverable at the year ended on a sample basis. • Examined holding company's management assessment of recoverability of the advances • Obtained list of long outstanding advances and identified any sub-contractors with financial difficulty through discussion with management of holding company. • Assessed the recoverability of these outstanding advances through our discussion with management of the holding company and with reference to detailed recoveries made for the subsequent period. • Also examined the arrangements/ correspondences with sub-contractors to assess the arrangement agreed with the sub-contractors and assessed the recoverability of the significant outstanding advances. • The status and their organisational structure was also examined with reference to the credit risk and their creditability in making payments since most of the sub-contractors are from unorganised sectors. • Also discussed with the holding company's management about the probability of providing new works to the sub-contractors and the chances of recoverability of the outstanding advances against the works to be executed. Considering all these, we found that the judgment made by the holding company's management in assessment of recoverability of receivables are found to be appropriate.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Management discussion and analysis, Corporate Governance, Shareholder's Information etc., but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information, which is not available to us as on the date of this report. In the absence of the said other information, we are unable to comment upon whether the other information is materially misstated or not.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its JV and associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of directors of the companies included in the Group and of its JV and associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its JV and associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Board of directors of the companies included in the Group and its JV and associate are responsible for assessing the ability of the Group and its JV and associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the respective companies are responsible for overseeing the financial reporting process of the Group and of its JV and associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its JV and associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its JV and associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

We communicate with those charged with governance of the Holding company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements includes

a) 13 subsidiaries, whose financial statements and other financial information include total assets of ₹691.68 crores as at 31st March, 2026, total revenue of ₹589.91 crores, total net profit after tax of ₹61.42 crores, total comprehensive income of ₹64.62 crores, for the year ended on that date respectively, and net cash inflows of ₹32.75 crore for the year ended 31st March, 2026, as considered in the Statement which have been audited by their respective independent auditors.

   Of the above, the financial statements of 1 foreign subsidiary company has not been audited by other auditors which includes total assets of ₹2.24 Crores as at 31st March, 2026, total cash flows (₹0.16 crores), total revenues of ₹4.74 Crores for the year ended 31st March, 2026 respectively, total net profit after tax of ₹0.07 crores and total comprehensive income of ₹0.17 Crores for the year ended 31st March, 2026.

b) 2 associates and 6 joint ventures, whose financial statements and other financial information include Group's share of net Loss after tax and after total comprehensive loss of ₹2.47 crore for the year ended 31st March, 2026 respectively, as considered in the Statements which have been audited by their respective independent auditors.

Of the above, the financial statements of 2 foreign associates and 2 foreign Joint ventures have not been audited by other auditors which includes groups share of net loss after tax and total comprehensive loss of ₹2.54 crores for the year ended 31st March, 2026.

In respect of overseas subsidiaries, JV and Associates located outside India and LLP subsidiaries and JV entities located in India whose financial statements and other financial information have not been audited by their auditors, these unaudited financial statements and other financial information have been approved and furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of these entities is based on solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations to us, these financial statements and other information are not material to the group.

In respect of subsidiaries, associates and joint ventures which are located outside India, the annual financial statements which have not been audited by their auditors have been prepared and certified by the management under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such companies located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have verified these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and Joint ventures is based on the statements prepared by the management and conversion adjustments made by the management of the Holding Company and verified by us. Our opinion is not modified in respect of this matter.

Our opinion on the consolidated financial statement and our report on the other legal and regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries, JV and associate as noted in the "Other matter" paragraph, we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2026 taken on record by the Board of Directors of the holding company and reports of other auditors, none of the directors of the Group, Joint Ventures incorporated in India is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's report of the Holding company and its subsidiary companies incorporated in India.

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of those companies for the reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company and its Indian subsidiaries in the group to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated financial statements has disclosed the impact of pending litigations on its consolidated financial position of the Group and its JV and associate.

ii. The parent company and other companies in the group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The Management of the Parent Company has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the Parent Company has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with section 123 of the Act, as applicable. As stated in note: 52 to the financial statements, the Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies, incorporated in India whose financial statements have been audited under the Act, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and a subsidiary and the CARO reports issued by other auditors for the subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

   The reports of the following overseas subsidiaries, JV and associate included in the consolidated financial statements has not been issued by its auditors till the date of our auditor's report.

Name of the entity	Nature of relationship	Country of incorporation
Power Mech Arabia Contracting Company	Subsidiary	Saudi Arabia
MAS Power Mech Arabia	Associate	Saudi Arabia
Power Mech LLC Qatar	Associate	Qatar
GTA Power Mech Nigeria Limited	Joint Venture	Nigeria
GTA Power Mech DMCC	Joint Venture	Dubai

For **Brahmayya & Co,**
Chartered Accountants,
Firm Regn. No. 000513S

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

Karumanchi Rajaj
Partner
Membership No. 202309

Annexure-A

Independent Auditors' Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the company for the year ended 31st March, 2026, we have audited the internal financial controls over financial reporting of POWER MECH PROJECTS LIMITED ("the holding company"), its subsidiary companies incorporated in India as on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the holding company and its Indian subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its Indian subsidiaries based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of Indian subsidiary is sufficient and appropriate to provide a basis for our audit opinion on the Company's and its Indian subsidiaries internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors, the holding company and its Indian subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report u/s 143(1)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it related to Indian subsidiaries is based on the report of the other auditors.

For **Brahmayya & Co,**
Chartered Accountants,
Firm Regn. No. 000513S

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

Karumanchi Rajaj
Partner
Membership No. 202309

Consolidated Balance Sheet

as at 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
Assets			
1 Non-Current Assets			
(a) Property, Plant and Equipment	4.1	405.24	303.43
(b) Right-of-use assets	4.2	14.21	12.56
(c) Capital Work-in-progress	5	181.66	27.91
(d) Intangible Assets	6	9.31	7.36
(e) Financial Assets			
(i) Investments	7.1	33.22	35.28
(ii) Loans	8	-	-
(iii) Other financial assets	9	650.30	455.88
(f) Deferred Tax Asset (Net)	20	24.98	18.31
(g) Other Non-current assets	10	161.95	28.88
Total Non-Current assets		**1,480.87**	**889.61**
2 Current Assets			
(a) Inventories	11	264.27	197.96
(b) Financial Assets			
(i) Investments	7.2	0.52	0.56
(ii) Trade Receivables	12	1,546.79	1,462.22
(iii) Cash and cash equivalents	13	106.71	91.99
(iv) Other Bank Balances	13	386.21	500.78
(v) Loans	8	47.51	15.45
(vi) Other Financial Assets	9	1,113.72	890.45
(c) Other Current assets	10	629.35	565.39
(d) Current tax Assets (Net)	24	13.41	-
Total Current assets		**4,108.49**	**3,724.80**
Total Assets		**5,589.36**	**4,614.41**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	14	31.62	31.62
(b) Other Equity	15	2,486.77	2,128.30
		2,518.39	**2,159.92**
2 Non-Controlling Interests	16	70.66	22.71
Liabilities			
3 Non-current liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	17	108.25	63.21
(ii) Lease liabilities	18	9.29	8.33
(iii) Other financial liabilities	18	181.19	128.62
(b) Provisions	19	15.80	4.11
(c) Other non-current liabilities	21	286.90	161.56
Total Non-Current liabilities		**601.43**	**365.83**
4 Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	22	543.05	660.03
(ii) Lease liabilities	18	3.05	3.45
(iii) Trade payables	23		
a) Total outstanding dues of micro enterprises and small enterprises		10.32	21.30
b) Total outstanding dues of Creditors other than micro enterprises and small enterprises"		1,164.16	908.68
(iv) Other financial liabilities	18	250.51	229.28
(b) Other current liabilities	21	424.77	224.62
(c) Provisions	19	3.02	0.96
(d) Current tax Liabilities (Net)	24	-	17.63
Total Current liabilities		**2,398.88**	**2,065.95**
Total Liabilities		**3,000.31**	**2,431.78**
Total Equity and Liabilities		**5,589.36**	**4,614.41**

Corporate Information	1
Basis of Preparation and Material Accounting Policies	2-3

The accompanying notes 34-55 form an integral part of the standalone financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN: (00971313)

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

	Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March, 2025
I	Revenue from Operations	25	6,061.57	5,234.14
II	Other Income	26	45.68	45.18
III	**Total Income (I+II)**		**6,107.25**	**5,279.32**
IV	**Expenses**			
	Cost of Material Consumed	27	869.05	817.97
	(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	28	(0.03)	(15.80)
	Contract Execution expenses	29	3,611.90	3,078.02
	Employee benefits expense	30	755.27	663.36
	Finance Costs	31	115.64	99.42
	Depreciation and Amortisation expense	32	74.51	55.80
	Other expenses	33	120.78	86.61
	Total Expenses(IV)		**5,547.12**	**4,785.38**
V	**Profit before share of profit from Joint Venture, exceptional items and tax (III-IV)**		**560.13**	**493.94**
VI	Share of Profit/(Loss) from Joint Ventures and Associates		(2.63)	(2.70)
VII	**Profit before exceptional items and tax (V+VI)**		**557.50**	**491.24**
VIII	Exceptional Items		-	-
IX	Profit before tax (VII-VIII)		**557.50**	**491.24**
X	Tax Expense:			
	Current tax	24	156.68	148.23
	Short / (Excess) Provision of Current tax		(4.19)	3.16
	Deferred tax		(6.67)	(7.70)
XI	**Profit for the year (IX-X)**		**411.68**	**347.55**
XII	Other Comprehensive Income			
	A. Items that will not be re-classified to profit and Loss account			
	a) Changes in Fair value of Investments		(0.01)	-
	b) Remeasurement of defined employee benefit plans (Refer disclouser under note no.19)		(4.36)	0.68
	B. Items that will be re-classified to profit and Loss account			
	a) Exchange fluctuations on revaluation of foreign operations		2.78	(2.17)
XIII	**Total Comprehensive Income for the year (XI+XII)**		**410.09**	**346.06**
	Profit for the year before Other Comprehensive Income		**411.68**	**347.55**
	Attributable to			
	Equity holders of the parent		363.99	326.48
	Non-Controlling Interests		47.69	21.07
	Total Comprehensive Income for the year		**410.09**	**346.06**
	Attributable to			
	Equity holders of the parent		362.42	324.99
	Non-Controlling Interests		47.67	21.07
XIV	Earnings per Share - Basic & Diluted	49	115.12	103.26

Corporate Information	1
Basis of Preparation and Material Accounting Policies	2-3

The accompanying notes 34-55 form an integral part of the financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN: (00971313)

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

Consolidated Cash Flow Statement

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

Particulars	2025-26	2024-25
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	557.50	491.23
Add/Less: Adjustments for :		
Depreciation	74.51	55.80
FCTR Movement	2.78	(2.17)
Interest and Finance charges	113.15	94.47
Interest on Income Tax	2.49	4.77
Loss on sale of assets	0.23	0.51
Asset writtenoff	0.33	4.38
Fair value loss/(gain) on current investments	0.04	(0.01)
Net gain arising on financial assets measured at FVTPL	(0.12)	(0.08)
Interest income	(39.10)	(37.28)
Investments written off	0.12	-
Interest on advances	(1.06)	(0.21)
Amortisation of Deferred Government grants	(0.03)	(0.12)
Profit on sale of assets	(3.85)	(0.47)
Remeasurement benefits on defined benefit Plans/Obligations considered in Other Comprehensive Income "	(4.36)	0.68
Share of Profit/(Loss) from Joint Venture	2.63	2.70
Operating profit before working capital changes	**705.27**	**614.20**
Movements in Working Capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade Receivables	(84.57)	(422.57)
- Inventories	(66.31)	(76.13)
- Other Assets	(636.72)	(320.50)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade Payables	244.49	210.48
- Other Liabilities and Provisions	412.40	146.69
Cash generated from operations	**574.56**	**152.17**
Less: Direct taxes paid	(187.11)	(151.43)
Net cash from Operating activities (A)	**387.45**	**0.74**
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(335.46)	(162.58)
Proceeds from sale of fixed assets	8.41	2.56
Margin money deposits with banks and other balances	(45.99)	(71.76)
Earmarked funds out of QIP proceeds	148.72	1.70
Interest received (Excl interest on rental deposit)	39.10	37.28
Interest on advances	1.06	0.21
Net cash used in Investing activities (B)	**(184.76)**	**(192.59)**
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) borrowings	(71.94)	331.49
Interest and Finance charges paid	(112.48)	(93.76)
Lease rent paid	(0.20)	(2.57)
Dividend paid	(3.95)	(3.16)
Net cash from / (used in) financing activities (C)	**(188.57)**	**232.00**
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**14.72**	**40.15**
Cash and cash equivalents at the beginning of the year	91.99	51.84
Cash and cash equivalents at the end of the year	106.71	91.99
Net Increase/(Decrease) in cash and cash equivalents	**14.72**	**40.15**

Consolidated Cash Flow Statement

for the year ended 31st March, 2026

All amounts are in ₹ Crores, except share data and where otherwise stated

Notes to Cashflow Statement

a) The above cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind As 7 - Statement of Cashflows

Components of cash and cash equivalents

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Cash on hand	2.44	1.94
In Current accounts	99.24	89.42
Deposits having maturity period for less than 3 months	5.03	0.63
Total	**106.71**	**91.99**

Reconcilation of Changes in Liability arising from Financing activities for the year ending 31st March, 2026

	Opening	Cash flows (net)	Non-Cash changes	Closing
Long term borrowings	105.82	128.39	2.41	236.62
Short term borrowings	617.42	(202.74)	-	414.68
Lease Libilities (Refer Note no. 50)	11.78	(0.20)	0.75	12.34

Reconcilation of Changes in Liability arising from Financing activities for the year ending 31st March, 2025

	Opening	Cash flows (net)	Non-Cash changes	Closing
Long term borrowings	83.38	22.62	(0.18)	105.82
Short term borrowings	308.37	309.05	-	617.42
Lease Libilities (Refer Note no. 50)	3.99	(2.57)	10.36	11.78

Corporate Information 1

Basis of Preparation and Significant Accounting Policies 2-3

The accompanying notes 34-55 from an integral part of the financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN: (00971313)

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2026,
All amounts are in ₹ Crores, except share data and where otherwise stated

A. Equity share capital

Particulars	Number of Shares	Amount
As at 31st March, 2024	**15,808,146**	**15.81**
Changes during the Year (On account of issue of bonus shares)	15,808,146	15.81
As at 31st March, 2025	**31,616,292**	**31.62**
Changes during the Year	-	-
As at 31st March, 2026	**31,616,292**	**31.62**

B. Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income		Total
	Securities Premium Reserve	Other Reserves (General reserve)	Foreign Currency Translation Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income	Acturial Gains/ (Loses)	
Balance at the end of reporting period - 31st March, 2024	**529.03**	**37.00**	**(26.33)**	**1,277.66**	**0.07**	**4.76**	**1,822.19**
Profit for the year attributable to equity share holders of parent	-	-	-	326.48	-	-	326.48
Other Comprehensive loss	-	-	(2.16)	-	-	0.68	(1.49)
Total Comprehensive income for the year	-	-	(2.16)	326.48	-	0.68	324.99
Less : Appropriations							
Final Dividend for the Financial year 2023-24 proposed & paid during the year	-	-	-	3.16	-	-	3.16
Changes during the Year (On account of issue of bonus shares)	15.81	-	-	-	-	-	15.81
Balance at the end of reporting period - 31st March, 2025	513.22	37.00	(28.49)	1,601.06	0.07	5.44	2,128.30
Profit for the year attributable to equity share holders of parent				**363.99**			**363.99**
Other Comprehensive loss	-	-	2.80	-	(0.01)	(4.36)	(1.57)
Total Comprehensive income for the year	-	-	2.80	363.99	(0.01)	(4.36)	362.42
Less : Appropriations							
Final Dividend for the Financial year 2024-25 proposed & paid during the year	-	-	-	3.95	-	-	3.95
Balance at the end of reporting period - 31st March, 2026	**513.22**	**37.00**	**(25.69)**	**1,961.09**	**0.06**	**1.08**	**2,486.77**

Corporate Information 1

Basis of Preparation and Significant Accounting Policies 2-3

The accompanying notes 34-55 from an integral part of the financial statements.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN: (00971313)

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

Material Accounting Policies and Notes to the Consolidated Financial Statements

Note No.1 GROUP INFORMATION

The consolidated financial statements comprise financial statements of Power Mech Projects Limited (the parent) and its subsidiaries (collectively referred to as "Group") and includes share of profit from its joint venturers and associate.

The parent company, Power Mech Projects Limited ("the Company" or "Power Mech"), was incorporated in 1999 and, together with its subsidiaries, associates and joint ventures (collectively referred to as "the Group"), is engaged in engineering, construction and infrastructure development activities in India and overseas. The Group provides integrated services in erection, testing and commissioning ("ETC") of boilers, turbines and generators, balance of plant ("BOP"), civil works and operation and maintenance ("O&M") of power projects. The Group undertakes projects across various segments of the power sector and has diversified into railway infrastructure, including major projects involving doubling of railway tracks along with associated electrification, signalling, culverts, platforms and other related works, as well as transmission and distribution projects.

As part of its diversification strategy, the Group has expanded its operations into the development and operation of coal mines, including Mine Developer and Operator ("MDO") activities, and the renewable energy sector, including solar power generation. Accordingly, the Group has a diversified presence across power plant construction, transmission and distribution, railway infrastructure, civil and infrastructure construction, mining and renewable energy sectors, with operations and projects in India and overseas.

The company, its subsidiaries and its joint venture and associate considered in the consolidated financial statements are:

a) Subsidiaries:

Name of the company	Country of incorporation	Principal activities	Year ended (% of holding)	
			31st March, 2026	31st March, 2025
Hydro Magus Private Limited	India	Maintenance contracts	88%	88%
Power Mech Industri Private Limited	India	Manufacture of spare parts	100%	100%
Power Mech BSCPL Consortium Private Limited	India	Infrastructure development	51%	51%
Power Mech SSA Structures Private Limited	India	Infrastructure development	100%	100%
Aashm Avenues Private Limited (Voluntary Strike off during the year)	India	Infrastructure development	100%	100%
Power Mech Environmental Protection Private Limited (Voluntary Strike off during the year)	India	Recycling of wastes generated by various industries and commercial establishments	100%	100%
Energy Advisory and Consulting Services Private Limited (Voluntary Strike off during the year)	India	Advisory and Consulting services to various energy generation companies/ power plants/ power transmitters	100%	100%
KBP Mining Private Limited	India	Exploring, design & engineering, developing, operating and working on mines	74%	74%
Kalyaneswari Tasra Mining Private Limited	India	Exploring, design & engineering, developing, operating and working on mines	74%	74%
PMTS Private Limited	India	Software Development and Support services	100%	100%
PM Green Private Limited	India	Electric power generation using solar energy	100%	-
Deogarh Ring Road Projects Private Limited	India	Laying of Roads	100%	-
Suryatna Projects Private Limited	India	Generation & Supply of Power using solar energy	60%	-
Vanshika Mining Works LLP	India	Sand Mining	51%	51%
Velocity Mining Works LLP	India	Sand Mining	51%	51%
Vindyavasini Mining Works LLP	India	Sand Mining	51%	51%
Kailash River bed Minerals LLP	India	Mining and quarrying of River bed Minerals	51%	51%
Power Mech Projects LLC	Oman	Installation and repair of electric power and transformer plants	70%	70%
Power Mech Projects (BR) FZE	Nigeria	Infrastructure development	100%	100%
Power Mech Arabia Contracting Company	Saudi	Erection and O&M Works	76%	76%

Material Accounting Policies and Notes to the Consolidated Financial Statements

b) Joint Venture:

Name of the company	Country of incorporation	Principal activities	Year ended (% of holding)	
			31st March, 2026	31st March, 2025
M/s. Power Mech – M/s. ACPL JV	India	Construction works	80%	80%
Power Mech – Khilari Consortium JV	India	Construction works	75%	75%
Power Mech – STS JV	India	Construction works	74%	74%
PMPL – SRC INFRA JV – Mizoram	India	Construction works	74%	74%
PMPL – SRC INFRA JV – Hassan	India	Construction works	60%	60%
PMPL – BRCCPL INFRA JV	India	Construction works	70%	70%
PMPL-KVRECPL Consortium JV	India	Construction works	82%	82%
Rites-PMPL JV	India	Construction works	51%	51%
SCPL-PMPL JV	India	Construction works	20%	20%
M/s. Power Mech – M/s. Taikisha JV	India	Construction works	66%	66%
PMPL-PIA JV	India	Construction works	79%	79%
PMPL-RSVCPL JV	India	Construction works	75%	75%
PMPL-UPPER BURHNER JV	India	Construction works	60%	60%
POWER MECH - KMV JV	India	Construction works	70%	-
GTA Power Mech Nigeria Limited	Nigeria	Construction works	50%	50%
GTA Power Mech DMCC	Dubai	Construction works	50%	50%

c) Associate

Name of the company	Country of incorporation	Principal activities	Year ended (% of holding)	
			31st March, 2026	31st March, 2025
MAS Power Mech Arabia	Saudi Arabia	Installation and Maintenance services	49%	49%
Power Mech LLC Qatar	Qatar	Erection and O&M services	49%	49%

Note No: 2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS :

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by the Ministry of Corporate affairs, pursuant to section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis of accounting except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013('the Act')(to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the parent Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceased to control the subsidiary.

Profit and loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Material Accounting Policies and Notes to the Consolidated Financial Statements

All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. Any distributions received from investee will reduce the carrying amount of investment. The Group's investment in associates includes goodwill/capital reserve identified on acquisition.

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. Any distributions received from investee will reduce the carrying amount of investment. The Group's investment in joint venture includes goodwill/capital reserve identified on acquisition.

Principles of Consolidation

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the company's separate financial statements. If a member of the group uses accounting policies other than those adopted in consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that groups members financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements relate to Power Mech Projects Limited ('the company') and its subsidiary companies and Joint ventures and associate. The consolidated statements have been prepared on the following basis.

a) The financial statements of the parent company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and intra-group balances as per Ind AS -110.

b) Profits and losses resulting from intra-group transactions that are recognised as asset such as inventory and property, plant and equipments are eliminated in full.

c) The excess of cost to the group of its investment in subsidiaries on the acquisition date over and above the group's share of equity in subsidiaries is recognised as Goodwill on consolidation being an asset in the consolidated financial statements or in case of excess of cost of investments, it is recognised as Capital reserve and shown under Reserves and surplus in the consolidated financial statements.

d) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange rate difference arising on consolidation is recognised in the Foreign currency translation Reserve.

e) Non-controlling interests in the net assets of subsidiaries is identified and presented in the statements separately within equity. The non-controlling interests in the net assets of subsidiaries consists of a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made and b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence. The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the statement of profit and loss and statement of changes in equity.

f) Investments in Joint venture and associates has been accounted under the equity method as per Ind AS-28 "Investments in Associates and Joint ventures".

g) The financial statements of the Company and its subsidiaries and joint ventures have been prepared up to the same reporting date, i.e., 31st March, 2026, except for two overseas associates whose financial statements are prepared up to 31st December, 2025. For the purpose of consolidation, additional financial information for the period from 1ST January, 2026 to 31st March, 2026 has been prepared by the management of the respective associates. The transactions and events for the said period have been reviewed and are not considered material to the consolidated financial statements.

Changes in the Group's ownership interests in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the

Material Accounting Policies and Notes to the Consolidated Financial Statements

non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Note No: 3 Material Accounting policies:

a) Use of estimates and Judgements

The preparation of the Group's financial statements in conformity requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

i) Depreciation/amortisation and useful lives of property plant and equipment / intangible assets:

Property, plant and equipment / intangible assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful lives and residual values are based on the historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, past history of receivables, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Fair value measurement of financial instruments:

Some of the assets and liabilities of the group are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the group uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The group also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v) Impairment of non-financial assets:

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the

Material Accounting Policies and Notes to the Consolidated Financial Statements

carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii) Income Taxes:

The tax jurisdiction of Indian companies considered in the Group is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

viii) Defined benefit obligations:

The Group uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine the obligations for employee benefits at each reporting period.

ix) Revenue recognition:

The Group uses the percentage of completion method in accounting for its fixed price contracts and is measured with reference to actual completion of physical proportion of the work, i.e on output method, to the extent of work certified by the customer. Measurement of physical quantum of work completed is based on estimates at the reporting date.

x) Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the group estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

b) Property, plant and equipment

An item of Property, Plant and Equipment that qualified as an asset is measured at initial recognition at Cost. Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. The cost comprises of purchase price, applicable duties and taxes, direct expenditure attributable on making the asset ready for its intended use and interest on borrowings for acquisition of qualifying asset upto the date the asset is ready for its intended use.

Advances paid for acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Cost of the assets not put to use before such date are disclosed under 'Capital Work-in-progress'. Any subsequent expenditure relates to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. Items of spare parts are recognised as Property, plant and equipment when they meet the definition of Property, plant and equipment. The cost and related depreciation are eliminated from the property, plant and equipment upon sale or retirement of the asset and the resultant gain or losses are recognised in statement of profit and loss.

c) Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis from the date they are available for use.

d) Depreciation and Amortisation

The depreciation on property, plant and equipment is provided under the Straight-line method over the useful lives of the assets estimated by the respective entities management. The management based on internal assessment and independent technical evaluation carried out by external valuers, believes that the useful lives as selected best represent the period over which the management expects to use these assets. Such estimation is made based on the past experience and working conditions in which assets are put to usage.

Material Accounting Policies and Notes to the Consolidated Financial Statements

The management estimates the useful lives for the fixed assets and the said useful lives are disclosed in the accounting policies of respective companies in the group.

Individual assets costing up to ₹5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during the year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be.

Intangible assets, comprising of expenditure on computer software, incurred are amortised on a straight line method over a period of five years.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically at the end of each financial year with the effect of any change in estimate accounted for on a prospective basis.

e) Government Grants

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognised as deferred revenue in the Balance sheet and transferred to the statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

f) Investment in Joint venture and associate

Investment in jointly controlled entity and associate is accounted for using the "equity method" less accumulated impairment, if any. Under the equity method, the investment is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the group's share of net assets of the jointly controlled entity and associate since the date of acquisition. Goodwill relating to the entity is included in the carrying amount of the investment.

The statement of profit and loss reflects the group's share of the results of the operations of the jointly controlled entity and associate. The amount of OCI of these entities are included in the groups OCI. Unrealised gains and losses resulting from transactions between the group and its entity are eliminated to the extent of interest in jointly controlled entity and associate.

g) Impairment of Assets

i) Financial assets (other than at fair value)

The group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The group recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of the fair value less cost of sale and value in use) is determined on an individual asset basis unless the asset does not generates cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount and the carrying amount of the asset is increased to its revised recoverable amount subject to maximum of carrying amount.

h) Borrowing Costs

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

Material Accounting Policies and Notes to the Consolidated Financial Statements

i) **Inventories**

a) Stores and consumables are valued at lower of cost or Net realisable value. In determining cost of stores and spares and consumables, weighted average cost method is used. Costs includes all cost of purchase, duties and taxes (Other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

b) Work-in-progress:

Contract execution expenses incurred in respect of projects to be commenced are included under work-in-progress and are valued at cost.

c) Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilisation expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of Ind AS.

j) **Revenue Recognition**

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the group is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Identifying Performance Obligation:

A performance obligation is identified in the construction projects that the group engages in, owing to the high degree of integration and customisation of the various goods and services to provide a combined output which is transferred to the customer over time and not at a specific point in time. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

Determination of Transaction Price:

Transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party(GST). Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Recognition of Revenue:

In case of sale of goods:

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

In case of construction services:

Revenue from services is recognised over time by measuring progress towards satisfaction of performance obligation for the services rendered.

Revenue from contracts is recognised by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work, i.e on Output method, to the extent of work certified by the customer and acknowledged by the customer. The portion of the work which was completed, but pending for certification by the customer, is also recognised as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognised as revenue only when the customer accepts the same. Provision for expected loss is recognised immediately when it is probable that the total estimated cost will exceed total contract revenue.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

In case of other Income:

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

k) **Employee Benefits**

i) **Defined Contribution Plans**

The contribution to Employees Provident Fund and Employees State Insurance are made under a defined contribution plan, and are accounted for at actual cost in the year of accrual.

ii) **Defined Benefit Plans**

Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each reporting period.

Material Accounting Policies and Notes to the Consolidated Financial Statements

Remeasurement, comprising actuarial losses and gains, the effect of changes to the asset ceiling and actual return on plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation, is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Such remeasurement losses/gains are not reclassified to profit or loss subsequently.

The employees of the entities are entitled to leave encashment which are both accumulating and non-accumulating in nature. The liability towards accumulated leave encashment, which are to be encashable only at the time of retirement, death while in service or on termination of employment, is determined by actuarial valuation using projected unit credit method.

The liability towards non-accumulated leave encashment over and above accumulated leaves, being short term employee benefit and eligible to encash after the end of each financial year, is provided based on actual liability computed at the end of each year.

l) Foreign Currency Transactions

These consolidated financial statements are presented in Indian rupee which is the functional currency of the parent company.

In preparing the financial statements of each individual group entity, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Gains/losses on settlement of the transaction are recognised in the statement of profit and loss.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost in foreign currency, are translated using the exchange rate at the date of transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Any loss/gain on conversion of monetary items are recognised in statement of profit and loss.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The exchange differences arising on translation for consolidation are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests proportionately. On disposal of foreign operation, the OCI component relating to that particular foreign operation is reclassified to consolidated statement of profit and loss.

m) Income-Taxes

Income tax expense comprises the sum of tax currently payable and deferred tax. Income tax expense is recognised in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax is determined at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred tax assets is reviewed at the end of each year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities are recognised as income or expense in the year of enactment. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Where the effect of time value of money is material, the amount of provisions is the present value of the expenditure required to settle the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot

Material Accounting Policies and Notes to the Consolidated Financial Statements

be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

o) Dividends

Provision for dividends payable (including income tax thereon) is accounted in the books of account in the year when they are approved by the shareholders at the Annual General Meeting.

p) Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Further, if the number of equity shares increases as a result of bonus issue, the above calculations are adjusted retrospectively for the previous year figures also.

q) Leases

The Company's leased assets primarily consist of buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

r) Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing and financing activities. The cash flows are segregated into operating, investing and financing activities.

s) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition:

The group recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than the financial assets and liabilities at fair value through profit and loss) are added to or deducted from the fair value of financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities at fair value through profit or loss are recognised immediately in profit or loss.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

i) Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income.

Material Accounting Policies and Notes to the Consolidated Financial Statements

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

De-recognition of financial asset

The company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Impairment of financial assets:

The company applies expected credit loss (ECL) model for measurement and recognition of loss assets in case of trade receivables and other financial assets. For Trade Receivables, the company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of receivables. The company uses historical default rates applied on the ageing of receivables to determine loss allowance on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed. In case of other assets, the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk has not increased significantly, an amount equal to 12-month ECL is measured and recognised as a loss allowance. However, if the credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as a loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the company reversed the impairment loss recognised earlier.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method.

The effective method is a method of calculating the amortisation cost of a financial liability and of allocating interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liability

The company de-recognises financial liabilities when the company's obligations are discharged, cancelled or expired. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognised in the statement of profit and loss over the contractual terms using the effective interest method.

t) Accounting in case of service concession arrangements and Revenue recognition

Financial Asset under SCA

Where Group has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", The Group will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the Authority/Client for the construction services and such financial assets are classified as "Receivables against Service Concession Arrangements" (Financial Asset Receivable). Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development under service Concession Arrangements are allocated and recognised and classified as "Financial Assets Receivable".

The amount due from the authority including Operation & Maintenance Income is accounted for in accordance with Ind AS 109 as measured at amortised cost and the interest calculated using the effective interest method is recognised in statement of profit and loss. As per the Concession Arrangement, the support during construction period received on milestone basis is accounted for as part of the transaction price (Financial Asset) as defined in Ind AS 115.

Revenue Recognition

Service concession arrangements (SCA)

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. The group shall recognise and measure revenue for the services it performs. The nature of the consideration determines its subsequent accounting treatment i.e. as Financial Assets. The group will recognise a financial asset to the extent that

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

it has an unconditional contractual right to receive cash or another financial asset from the authority/client for the construction services. The Financial Asset due from the authority/client is accounted and measured at amortised cost. The interest calculated using the effective interest method is recognised in the statement of profit and loss. As per the Concession Arrangement, support received during construction period are accounted for as part of the transaction price (i.e. Financial Asset).

u) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing Standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31st March, 2026, MCA has notified the following standards or amendments to the existing standards:

- Ind AS 1 – Presentation of Financial Statements
- Ind AS 7 – Statement of Cash Flows
- Ind AS 21 – The Effects of Changes in Foreign Exchange Rates
- Ind AS 107 – Financial Instruments: Disclosures

The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

Notes on Consolidated Financials Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.4.1 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Carrying Amounts of:		
Land	14.25	3.29
Lease Hold Improvements	6.98	-
Office Buildings	23.82	25.83
Plant and Equipment	48.36	23.84
Furniture and Fixtures	7.17	6.89
Computers	4.15	3.63
Office Equipment	9.51	7.17
Motor vehicles	103.12	86.02
Cranes	164.42	121.82
Temporary Sheds	23.46	24.94
	405.24	303.43
Capital Work-in-progress (Refer Note No. 5)	181.66	27.91

Property, Plant and Equipment

Particulars	Land	Lease Hold Improvements	Office Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Motor vehicles	Cranes	Temporary Sheds	Total
Gross Block :											
As at 31st March, 2024	3.42	-	40.16	74.17	13.71	8.84	18.20	106.26	198.52	62.80	526.08
Additions	0.57			6.82	6.24	1.92	4.12	46.19	53.45	20.82	140.12
Disposals	0.70			8.07	1.32	2.04	3.19	5.40	10.00	18.80	49.52
As at 31st March, 2025	3.29	-	40.16	72.92	18.63	8.72	19.13	147.05	241.97	64.82	616.68
Additions	11.98	7.23	-	35.27	2.94	2.15	5.19	40.74	61.15	11.68	178.33
Disposals	1.02	-	0.59	6.41	0.39	0.35	0.46	2.07	1.25	-	12.54
As at 31st March, 2026	14.25	7.23	39.57	101.78	21.18	10.53	23.86	185.72	301.87	76.50	782.48
Accumulated Depreciation including accumulated Impairment loses :											
As at 31st March, 2024	-	-	12.64	50.27	11.13	5.41	12.79	48.12	114.04	48.57	302.97
Depreciation charge for the year			1.69	5.97	1.83	1.27	2.09	17.34	12.98	9.26	52.43
On disposals			-	7.16	1.22	1.59	2.92	4.43	6.87	17.96	42.15
As at 31st March, 2025	-	-	14.33	49.08	11.74	5.09	11.96	61.03	120.15	39.87	313.25
Depreciation charge for the year	-	0.25	1.68	7.95	2.61	1.55	2.75	23.10	18.35	13.17	71.41
On disposals	-	-	0.26	3.61	0.34	0.27	0.36	1.53	1.05	-	7.42
As at 31st March, 2026	-	0.25	15.75	53.42	14.01	6.37	14.35	82.60	137.45	53.04	377.24
Net Block :											
As at 31st March, 2026	14.25	6.98	23.82	48.36	7.17	4.15	9.51	103.12	164.42	23.46	405.24
As at 31st March, 2025	3.29	-	25.83	23.84	6.89	3.63	7.17	86.02	121.82	24.94	303.43

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Notes:

1) Term loans taken by the group for purchase of Fixed assets are secured by way of hypothecation on respective assets for which loans were availed.
2) Working Capital Loans from banks are secured by way of first charge on Property, Plant and Equipment of the company both present and future, excluding those assets against which charge was given to equipment financiers.
3) None of the property, plant & equipment were acquired / transfered by way of business combinations.
4) The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.
5) The title deeds of immovable properties were held in the name of respective Companies of the group.
6) No proceedings have been initiated or pending against any of the companies in the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
7) Lease hold improvements in the above table represents the improvements made in the premises taken on lease.

Note No.4.2 Right - of - use assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Right - of - use assets	14.21	12.56
	14.21	**12.56**

Particulars	Lease hold land	Buildings	Total
(A) Cost or deemed cost :			
As at 31st March, 2024	**2.56**	**13.75**	**16.31**
Additions	-	10.71	10.71
Disposals/adjustments	-	3.90	3.90
As at 31st March, 2025	**2.56**	**20.56**	**23.12**
Additions	3.37	-	3.37
Disposals/adjustments			-
As at 31st March, 2026	**5.93**	**20.56**	**26.49**
(B) Accumulated Amortisation and impairment :			
As at 31st March, 2024	**0.19**	**10.44**	**10.64**
Amortisation expense for the year	0.03	2.73	2.77
Eliminated on disposal	-	2.84	2.84
As at 31st March, 2025	**0.22**	**10.34**	**10.56**
Amortisation expense for the year	0.06	1.66	1.72
Eliminated on disposal	-	-	-
As at 31st March, 2026	**0.28**	**12.00**	**12.28**
(C) Carrying amount :			
As at 31st March, 2026	**5.65**	**8.56**	**14.21**
As at 31st March, 2025	**2.34**	**10.22**	**12.56**

Note No.5 Capital Work-in-Progress

Particulars	Amount
Carrying value - At Cost	
As at 31st March, 2024	**11.27**
Additions	23.71
Capitalised during the year	7.07
As at 31st March, 2025	**27.91**
Additions	173.72
Capitalised during the year	19.97
As at 31st March, 2026	**181.66**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Capital Work-in-progress ageing schedule as on 31st March, 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	173.72	4.11	3.83	-	181.66
Projects temporarily suspended	-	-	-	-	-

Note: None of the above projects were overdue for its completion and does not exceeded its cost compared to its original plan.

Capital Work-in-progress ageing schedule as on 31st March, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	23.71	4.20		-	27.91
Projects temporarily suspended	-	-	-	-	-

Note: None of the above projects were overdue for its completion and does not exceeded its cost compared to its original plan.

Note No.6 INTANGIBLE ASSETS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Power Mech Brand*	-	0.00
Computer Software	7.04	5.09
Goodwill	2.27	2.27
	9.31	7.36

*Amounts below ₹1 Lakh

Particulars	Power Mech Brand	Computer Software	Goodwill	Total
Gross Block :				
As at 31st March, 2024	0.00	1.85	2.27	4.12
Additions	-	5.27	-	5.27
Disposals	-	0.04	-	0.04
As at 31st March, 2025	0.00	7.08	2.27	9.35
Additions	-	3.35	-	3.35
Disposals	-	0.00	-	0.00
As at 31st March, 2026	0.00	10.43	2.27	12.69
Accumulated Amortisation and impairment :				
As at 31st March, 2024	0.00	1.43	-	1.43
Amortisation expense for the year	-	0.60	-	0.60
On disposals	-	0.04	-	0.04
As at 31st March, 2025	0.00	1.99	-	1.99
Amortisation expense for the year	0.00	1.40	-	1.40
On disposals	-	0.00	-	0.00
As at 31st March, 2026	0.00	3.39	-	3.39
Net Block :				
As at 31st March, 2026	-	7.04	2.27	9.31
As at 31st March, 2025	0.00	5.09	2.27	7.36

1) None of the intangible assets were acquired/transferred by way of business combinations.

2) The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.7.1 INVESTMENTS (NON-CURRENT)

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Investment in Equity Instruments		
(a) (i) Quoted - Trade (carried at fair value thorugh OCI)		
a) 24(24) Equity shares of ₹10/ each in Reliance Power Limited	0.00	0.00
Total Investment in Quoted Equity Instruments (a)	**0.00**	**0.00**
(b) (i) Unquoted - Trade		
Investment in Joint Venture (Carried at cost) :		
a) 1,50,00,000 (1,50,00,000) equity shares of 1 Naira each in GTA Power Mech Nigeria Limited	27.70	29.66
b) 50 (50) Equity shares of AED 1000 each in GTA Power Mech DMCC	0.45	0.44
c) Investment in PMPL-ACPL JV (Capital introduced Nil)	1.61	1.72
d) Investment in PMPL-STS JV (Capital introduced Nil)	0.80	0.82
e) Investment in PMPL-KHILARI Consortium JV (Capital introduced Nil)	0.49	0.51
f) Investment in PMPL-SRC INFRA JV - Mizoram (Capital introduced Nil)	2.08	2.02
g) Investment in PMPL-SRC INFRA JV - Hassan (Capital introduced Nil)**	-	-
h) Investment in PMPL-BRCC INFRA JV (Capital introduced Nil)**	-	-
i) Investment in PMPL-KVRECPL Consortium JV (Capital introduced Nil)**	-	-
j) Investment in PMPL-PIA JV (Capital introduced Nil)**	-	-
k) Investment in POWER MECH-TAIKISHA JV (Capital introduced Nil)**	-	-
l) Investment in RITES-PMPL JV (Capital introduced Nil)**	-	-
m) Investment in SCPL - PMPL JV (Capital introduced Nil)**	-	-
n) Investment in PMPL-RSVCPL JV (Capital introduced Nil)**	-	-
o) Investment in PMPL-UPPER BURHNER JV (Capital introduced Nil)**	-	-
p) Investment in POWER MECH - KMV JV (Capital introduced Nil)**	-	-
Total Investment in Un-Quoted Equity Instruments (b)	**33.13**	**35.17**
Total Investment in Equity Instruments (A = a+b)	**33.13**	**35.17**
B. Investment in Mutual Funds - Quoted (Carried at fair value through OCI)		
a) 20,000(20,000) units of SBI Infra structure fund - I - Growth ₹10/ each	0.09	0.11
Total Investment in Mutual Funds (B)	**0.09**	**0.11**
Total (A+B)	**33.22**	**35.28**
Aggregate amount of : Quoted investments -		
- At cost	0.02	0.02
- Market value	0.09	0.11
Aggregate amount of un-Quoted investments	33.13	35.17

Category wise - Investments as per Ind AS 109 Classification

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised
Financial assets measured at:				
(i) Fair value through Other Comprehensive Income				
a) 24(24) Equity shares of ₹10/ each in Reliance Power Limited	0.00	-	0.00	-
b) 20,000(20,000) units of SBI Infra structure fund I Growth ₹10/ each - Mutual Funds	0.09	-	0.11	-
(ii) Using Equity method for Investments in Joint Ventures and Associates as per Ind As 28	33.13	-	35.17	-
	33.22	**-**	**38.28**	**-**

*Amounts below 1 Lakh

**The parent company has become a venturer in joint ventures incorporated during the financial years 18-19 to 24-25. However no investment has been made in the said JV's as on date of Balance Sheet.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.7.2 INVESTMENTS (CURRENT)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in Mutual Funds - Quoted: (Carried at fair value through P&L)		
a) 73,248 (73,248) units of Baroda BNP Paribas Large & Mid Cap Fund	0.17	0.18
b) 2,49,978(2,49,978) units of Baroda BNP Paribas Flexi Cap Fund	0.29	0.33
c) 49,987 (49,987) units of Baroda BNP Energy Opportunities Fund Regular Growth	0.06	0.05
Total Investment in Mutual Funds (B)	**0.52**	**0.56**
Aggregate amount of : Quoted investments -		
- At cost	0.37	0.37
- Market value	0.52	0.56

Note No.8 LOANS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good				
a) Employee related advances	-	-	2.17	2.30
b) Advances to related parties				
i) Power Mech LLC Qatar (Associate)	-	-	-	2.03
ii) GTA Power Mech FZE (Subsidiary to GTA Power Mech Nigeria, a JV)	-	-	0.72	0.72
c) Advances to others				
- Relit Infratech Limited	-	-	28.86	-
- Shangrila Infracon Private Limited	-	-	15.76	-
- Global steel Structures (P) Limited	-	-	-	10.40
Total	**-**	**-**	**47.51**	**15.45**

The above Loans Receivables are sub-classified as :

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Loans considered good - Secured	-	-	-	-
b) Loans considered good - Unsecured	-	-	47.51	15.45
c) Loans which have significant increase in Credit Risk	-	-	-	-
d) Loans - Credit impaired	-	-	-	-
	-	**-**	**47.51**	**15.45**

Note: 1) No loans are due from directors or other officers of the Group either severally or jointly with any other person nor any other loans are due from firms in which any director is a partner, a director or a member.

2) All the above advances given to joint venture are utilised for their business purposes .

3) Loans repayable on demand without specifying the terms or period of repayment.

	As at 31st March, 2026	% out of Total Loans advanced	As at 31st March, 2025	% out of Total Loans advanced
a) Promoters	-	-	-	-
b) Directors	-	-	-	-
c) KMP	-	-	-	-
d) Related parties	0.72	1.51%	2.75	17.79%

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.9 OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Security deposits with Govt. authorities and others	19.38	14.45	0.02	0.04
b) EMD with customers	197.82	158.60	-	-
c) Earmarked balances with banks held as margin money against LC and guarantees having a maturity period for more than 12months from the date of Balance sheet	73.22	61.39	-	-
d) Retention Money and Security Deposit with customers	321.68	225.59	62.96	83.49
e) Uncertified Revenue	-	-	1,050.74	806.92
f) Amount receivable under SCA*	42.35	-	-	-
Total	**654.45**	**460.03**	**1,113.72**	**890.45**
Less: Provision for doubtful receivables (Retention Money and Security Deposit with customers)	(4.15)	(4.15)	-	-
	650.30	**455.88**	**1,113.72**	**890.45**

* Represents financial assets recognised under the Service Concession Arrangement (Hybrid Annuity Model) for amounts receivable from the NHAI(Grantor) in accordance with the terms of the Concession Agreement.

The bifurcation of Retention money & Security deposit with customers between current and non current is made based on the terms of contract, time schedule in the execution of work orders, fulfilment of conditions for release of Retention money and Security deposit and based on estimates by manangement.

Uncertified revenue ageing schedule as on 31st March, 2026

Particulars	Outstanding for following periods from reporting date					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Uncertified revenue	903.20	6.98	138.48	2.08	-	1,050.74

Uncertified revenue ageing schedule as on 31st March, 2025

Particulars	Outstanding for following periods from reporting date					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Uncertified revenue	787.53	1.51	6.45	6.45	4.97	806.92

Note No.10 OTHER ASSETS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good				
a) Advances for Capital goods	61.86	3.86	-	-
b) Mobilisation advances to Sub - Contractors	15.05	-	24.38	20.24
c) Advances to creditors against supplies	-	-	96.68	63.13
d) Advances to sub-contractors against works	-	-	259.64	224.03
e) Prepaid Royalty and other expenses	28.52	-	70.37	152.65
f) R&R expenses	56.52	25.02	-	-
g) Balances with Statutory Authorities:				
GST and other taxes receivable	-	-	180.73	106.07
Works contract tax (TDS)	-	-	-	0.45
Taxes paid under protest	-	-	0.35	1.06
h) Other advances	-	-	4.40	3.55
i) Balance in Gratuity Fund (Refer note 19)	-	-	-	1.07
Total	**161.95**	**28.88**	**636.55**	**572.25**
Less : Provision for doubtful advances (Advance to sub-contractors against works)	-	-	(7.20)	(6.86)
Total	**161.95**	**28.88**	**629.35**	**565.39**

Note: No advances are due from directors or other officers in the group either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.11 INVENTORIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Stores and spares	218.90	152.62
b) Construction Work-in-progress	45.37	45.34
Total	**264.27**	**197.96**

Note:

(i) The mode of valuation of inventories has been stated in Note 3(i) in Accounting Policies.

(ii) The cost of inventories recognised as an expense for the year ended 31st March, 2026 was ₹869.05 Cr (for the year ended 31st March, 2025: ₹817.97 Cr)

(iii) All the above inventories are offered as security in respect of working capital loans availed by the company from all the banks.

(iv) There are no inventories expected to be liquidated after more than twelve months.

Note No.12 TRADE RECEIVABLES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivables considered good -Secured	-	-
Trade receivables considered good -Unsecured	1,557.26	1,472.69
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables - Credit impaired	-	-
Less: Provision for doubtful receivables	(10.47)	(10.47)
Total	**1,546.79**	**1,462.22**

a) The average credit period is 30 days which is due from the date of certification of RA Bill. No interest is charged on overdue receivables.

b) Of the trade receivables balance, ₹286.50 Cr (as at 31st March, 2025 : ₹215.02 Cr) is due from one of the Parent Company's largest customer. Further, an amount of ₹ 332.35 Cr. (as at 31st March, 2025 : ₹562.02 Cr) is due from customers who represent more than 5% of the total balance of trade receivables.

c) In determining the provision for trade receivables, the company has used practical expedients based on the financial conditions of the customer, historical experience of collections from customers, possible outcome of negotiations with customers etc.,The concentration of risk with respect to trade receivables is reasonably low as most of the receivables are from Government organisations, high profile and net worth companies though there may be normal delay in collection. The expected credit loss allowance is based on the estimates by the management about their recoverability.

Trade Receivables ageing schedule as on 31st March, 2026

Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) undisputed trade Receivables - considered good	1,408.34	78.62	8.45	1.68	60.17	1,557.26
(ii) undisputed trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables - credit impaired	-	-	-	-	-	-
Provision for expected credit loss	-	-	(0.22)	(0.16)	(10.09)	(10.47)
Total	**1,408.34**	**78.62**	**8.23**	**1.52**	**50.08**	**1,546.79**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Trade Receivables ageing schedule as on 31st March, 2025

Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) undisputed trade Receivables – considered good	1,303.49	68.57	17.29	55.64	27.69	1,472.69
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Provision for expected credit loss	-	-	(0.86)	(4.83)	(4.77)	(10.47)
Total	**1,303.49**	**68.57**	**16.43**	**50.81**	**22.92**	**1,462.22**

Note No.13 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2026	As at 31st March, 2025
i) Balances with banks		
a. In Current accounts	99.24	89.42
ii) Cash on hand	2.44	1.94
iii) Fixed Deposits with original maturity period of less than 3 months	5.03	0.63
Total	**106.71**	**91.99**

Note No.13 OTHER BANK BALANCES

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Earmarked balances with banks held as margin money against LC and guarantees falls due for maturity within 12months from the date of Balance sheet	292.69	258.53
b. Earmarked funds for funding capital expenditure for the installation and peration of washery and coal handling plant including other incidental infrastructure works for the Tasra opencast project	93.50	242.22
c. Earmarked balances with banks towards unclaimed dividends	0.02	0.03
Total	**386.21**	**500.78**

Note: Bank Deposits with more than 12 months maturity from the date of Balance Sheet was disclosed under "Other Financial Assets

Note No. 14 SHARE CAPITAL

a) Authorised Share Capital

Particulars	Equity	
	No's	Total
As at 31st March, 2024	**26,000,000**	**26.00**
Changes during the year	9,000,000	9.00
As at 31st March, 2025	**35,000,000**	**35.00**
Changes during the year	-	-
As at 31st March, 2026	**35,000,000**	**35.00**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

b) Issued Share Capital

Equity shares of ₹10 each issued, subscribed and fully paid

Particulars	No's	Total
As at 31st March, 2024	**1,58,08,146**	**15.81**
Increase/(Decrease) during the Year (on account of issue of bonus shares)	1,58,08,146	15.81
As at 31st March, 2025	**3,16,16,292**	**31.62**
Changes during the Year	-	-
As at 31st March, 2026	**3,16,16,292**	**31.62**

c) Rights, Preferences and restrictions attached to Equity shares

The Parent Company has only one class of Equity shares having a face value of ₹10/- each. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of share holders in the Annual General Meeting. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.

d) Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at 31st March, 2026		As at 31st March, 2025	
	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company
S. Kishore Babu	75,90,884	24.01%	75,90,884	24.01%
S. Rohit	15,91,826	5.03%	15,91,826	5.03%
Vignatha Sajja	20,96,108	6.63%	20,96,108	6.63%
Aishwarya Kurra	35,16,026	11.12%	35,16,026	11.12%
HDFC Small Cap Fund	25,71,881	8.13%	29,09,255	9.20%
	1,73,66,725	**54.93%**	**1,77,04,099**	**56.00%**

e) Details of shares held by promoters as on 31st March, 2026

Name of the promoters	As at 31st March, 2026		% Change during the FY 2025-26
	No. of shares	% of total shares	
Sajja Kishore Babu	75,90,884	24.01	0.00
Lakshmi Sajja	15,13,068	4.79	0.00
Sajja Rohit	15,91,826	5.03	0.00
Sajja Vignatha	20,96,108	6.63	0.00
Aishwarya Kurra	35,16,026	11.12	0.00
Gogineni Babu	31,916	0.10	0.00
Sireesha Gogineni	6,720	0.02	0.00
Sivarama Krishna Prasad Sajja	3,300	0.01	(8.33)
Subhashini Kanteti	5,040	0.02	0.00
Uma Devi Koyi	1,000	0.00	0.00
Sai Malleswara Rao Sajja	510	0.00	0.00
Power Mech Infra Limited	2,16,816	0.69	25.19
Nekkanti Vidharth	4,74,246	1.50	0.00
Shrivi Nekkanti	4,74,246	1.50	0.00
Kiara Sajja	4,74,246	1.50	0.00
Amaira Sajja	4,74,246	1.50	0.00

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Details of shares held by promoters as on 31st March, 2025

Name of the promoters	As at 31st March, 2025		% Change during the FY 2024-25
	* No. of shares	% of total shares	
Sajja Kishore Babu	75,90,884	24.01	(1.80)
Lakshmi Sajja	15,13,068	4.79	(60.77)
Sajja Rohit	15,91,826	5.03	(11.90)
Sajja Vignatha	20,96,108	6.63	(4.99)
Aishwarya Kurra	35,16,026	11.12	15.09
Gogineni Babu	31,916	0.10	15.15
Sireesha Gogineni	6,720	0.02	-
Sivarama Krishna Prasad Sajja	3,600	0.01	(10.00)
Subhashini Kanteti	5,040	0.02	-
Uma Devi Koyi	1,000	0.00	-
Sai Malleswara Rao Sajja	510	0.00	-
Power Mech Infra Limited	1,73,186	0.55	(55.73)
Nekkanti Vidharth	4,74,246	1.50	100.00
Shrivi Nekkanti	4,74,246	1.50	100.00
Kiara Sajja	4,74,246	1.50	100.00
Amaira Sajja	4,74,246	1.50	100.00

*During the period, the company has issued bonus shares in the ratio of 1:1 (Refer note no. (f) below).

f) Aggregate number of bonus shares issued during the period of 5 years immediately preceding the reporting date: During the year 2024-25, the parent company has allotted Nos.1,58,08,146 Equity shares of ₹10 /- each as fully paid-up bonus shares to the existing shareholders in the ratio of 1:1, by capitalising ₹15,80,81,460 /- out of securities Premium, in accordance with the provisions of Sec 63 of the companies Act, 2013.

No bonus shares were issued in any of the other period out of last 5 financial years.

g) No shares were issued by the parent company pursuant to a contract without payment being received in cash.

Note No.15 Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Securities Premium Reserve		
Balance as per last financial statements	513.23	529.03
Increase/(decrease) during the year	-	(15.81)
	513.23	513.22
General Reserve		
Balance as per last financial statements	37.00	37.00
Foreign Currency Translation Reserve Account		
Balance as per last financial statements	(28.49)	(26.33)
Increase/(decrease) during the year	2.80	(2.16)
	(25.69)	(28.49)
Retained Earnings		
Balance as per last financial statements	1,606.56	1,282.48
Add: Total comprehensive income for the year transferred from statement of profit and loss	359.62	327.24
Less: Appropriations		
Final Dividend for the Financial year 2024-25 proposed & paid during the year	(3.95)	(3.16)
	1,962.23	1,606.56
Total	**2,486.77**	**2,128.30**

Nature of reserves:

a) Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

b) General reserve

The general reserve is created by way of tranfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

c) Foreign currency Translation reserve

Exchange differences relating to the translation of the results and the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. INR) are recognised directly accumulated in the foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

d) Retained Earnings:

Retained earnings are the profits that the company has earned till date less transfers to general reserves and dividends paid to share holders.

Note no.16 Minority Interest

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance as per last financial statements	22.71	1.64
Changes during the year :		
a) Share capital on incorporation of subsidiaries during the year	0.28	-
b) Profit/(loss) for the year transferred from statement of Profit and loss	47.69	21.06
c) FCTR	(0.02)	0.01
	70.66	22.71

Note No.17 LONG TERM BORROWINGS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
A. Secured				
i. Term loans				
a) From Banks :				
i) Axis Bank	20.68	10.70	21.18	17.25
ii) HDFC Bank	32.98	8.16	57.40	5.65
iii) ICICI Bank	2.65	1.15	2.42	1.01
iv) Kotak Mahindra Bank	-	1.80	-	0.17
v) South Indian Bank	14.11	2.68	8.73	1.42
vi) Bank of Baroda	6.15	6.14	7.07	4.85
vii) Canara Bank	6.25	8.45	2.17	1.99
viii) YES Bank	0.15	0.48	0.36	0.34
ix) Union Bank of India	10.60	6.98	5.45	-
x) Emirates Islamic Bank	0.27	1.01	0.74	1.30
b) From Others :				
i) HDB Financial Services	1.25	1.37	1.99	2.10
ii) TATA Capital	2.82	0.36	1.99	0.35
iii) Mahindra finance	-	-	-	0.09
iv) Al-futtaim	-	-	-	0.02
Total (a)	**97.91**	**49.28**	**109.50**	**36.54**
B. Unsecured				
a) Deferred payment liabilities				
Due to suppliers on deferred credit basis	10.34	13.93	18.87	6.07
Total (b)	**10.34**	**13.93**	**18.87**	**6.07**
Total (a+b)	**108.25**	**63.21**	**128.37**	**42.61**

1) The term loans from banks and companies are secured by way of hypothecation of assets funded under the said facility.

2) The above loans carries interest varies from 7.35 % to 13.55 %

3) The above loans are repayable in monthly/quarterly installments.

4) Maturity pattern of above term loans (non current) is as follows

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Banks:2027-28 – ₹66.02 Crs; 2028-29 – ₹27.76 Crs; 2029-30 – ₹0.05 Crs

Companies: 2027-28 – ₹2.81 Crs; 2028-29 – ₹1.26 Crs

5) Registration, Modification and Satisfaction of charges relating to the new loans taken during the year, had been filed with the Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.

6) No defaults were made in repayment of above term loans

Note No.18 OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Retention Money & Security deposits recovered from Sub-Contractors	181.19	128.62	29.10	61.25
b) Amount received against arbitration Proceeding with Customer	-	-	54.05	54.05
c) Creditors for capital goods	-	-	0.10	0.12
d) Interest accrued and due	-	-	-	0.08
e) Interest accrued but not due	-	-	0.19	-
f) Unclaimed dividend	-	-	0.02	0.03
g) Employee related payments	-	-	76.27	74.39
h) Other Liabilities	-	-	90.78	39.36
	181.19	**128.62**	**250.51**	**229.28**
a) Lease liability as per Ind As 116 (Refer Note no.50)	9.29	8.33	3.05	3.45
Total	**190.48**	**136.95**	**253.56**	**232.73**

Note:

(i) The segregation of above Retention Money & Security deposits are made based on the time schedule in execution of works, estimated works undertaken in next year and terms of release as agreed with sub-contractors.

Note No.19 PROVISIONS

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Provision for employee benefits				
- Group gratuity (Net of plan assets)	7.09	-	1.16	-
- Leave Encashment (Unfunded)	8.71	4.11	1.86	0.96
Total	**15.80**	**4.11**	**3.02**	**0.96**

EMPLOYEE BENEFITS

a. Defined contribution plans

The Group makes Provident Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Group recognised ₹ 43.90 Cr (Year ended 31st March, 2025: ₹33.04 Cr) for provident fund contributions, and ₹5.65 Cr (Year ended 31st March, 2025: ₹4.33 Cr) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The Group provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is 31st March.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

(i) Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of obligation	31.95	17.81
Fair Value of plan assets	23.70	18.88
Net Liability/(Asset) recognised in the Balance Sheet	**8.25**	**(1.07)**

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

Particulars	Plan Obligation	Plan Assets	Deficit/ (Surplus)
As at 31st March, 2024	**17.78**	**19.39**	**(1.61)**
Current service cost	3.87		3.87
Past service sot	-		-
Interest cost	1.13		1.13
Interest income		1.35	(1.35)
Actuarial gain arising from changes in experience adjustments	(1.27)		(1.27)
Actuarial gain arising from changes in financial assumptions	0.50		0.50
Contributions by employer	-	2.69	(2.69)
Benefit payments	(4.20)	(4.45)	0.25
Return on plan assets, excluding interest income	-	(0.10)	0.10
As at 31st March, 2025	**17.81**	**18.88**	**(1.07)**
Current service cost	6.99	-	6.99
Past service sot	3.51	-	3.51
Interest cost	1.17	-	1.17
Interest income	-	1.44	(1.44)
Actuarial gain arising from changes in experience adjustments	(0.49)	-	(0.49)
Actuarial gain arising from changes in financial assumptions	4.65	-	4.65
Contributions by employer	-	5.22	(5.22)
Benefit payments	(1.69)	(1.65)	(0.04)
Return on plan assets, excluding interest income	-	(0.19)	0.19
As at 31st March, 2026	**31.95**	**23.70**	**8.25**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Employee Benefit Expenses		
Current service cost	6.99	3.87
Past service cost	3.51	-
Interest cost	1.17	1.13
Interest Income	(1.44)	(1.35)
Net impact on profit before tax	**10.23**	**3.65**
Remeasurement of the net defined benefit plans:		
Actuarial gain arising from changes in Financial assumptions	(0.20)	(1.27)
Actuarial (gain)/loss arising from changes in Experience adjustments	4.37	0.50
Return on plan assets, excluding interest income	0.19	0.10
Net impact on other comprehensive income before tax	**4.36**	**(0.67)**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

(iv) Assets

The major categories of plan assets as a % of the total plan assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Insurance policies	100%	100%

(v) Investment details

Particulars	As at 31st March, 2026	As at 31st March, 2025
Insurance policies	23.70	18.88

(vi) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate	7.77	6.99
Salary escalation rate	5.00	3.00

(vii) Sensivity analysis

Significant acturial assumptions for the determination of the defined benefit obligation are discount rate,expected salary increase and employee turnover.The data sensivity analysis below have been determined based on the reasonably possible changes of the assumptions occuring at the end of the reporting period and may not be representative of the actual change. It is based on a change in key assumption while holding all other assumptions constant.The sensitivity analysis is given below.

Particulars	Defined benefit obligation As at 31st March, 2026	Defined benefit obligation As at 31st March, 2025
Salary Escalation - Up by 1%	35.87	20.11
Salary Escalation - Down by 1%	27.39	15.38
Withdrawal Rates - Up by 1%	32.35	18.45
Withdrawal Rates - Down by 1%	30.01	16.49
Discount Rates - Up by 1%	27.54	15.51
Discount Rates - Down by 1%	35.78	19.99
Mortality Rates - Up by 10%	31.32	17.58
Mortality Rates - Down by 10%	31.23	17.51

(viii)Maturity profile of defined benefit obligation

Particulars	Year 1 Current	Year 2-5 Non-Current	Above 5 years Non Current
Defined Benfit Obligation	1.03	5.96	102.45

Note No.20 DEFERRED TAX

The following is the analysis of deferred tax (Assets)/Liabilities presented in the Balance Sheet

Particulars	Components	
	As at 31st March, 2026	As at 31st March, 2025
Asset:		
Disallowances under Income-tax	13.57	6.46
On account of Unabsored Losses	0.52	0.34
Towards depreciation	9.54	10.03
MAT Credit entitlement	1.35	1.48
Total	**24.98**	**18.31**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Movement in Deferred Tax Assets/(Liabilities)

Particulars	As at 31st March, 2026	(Credit)/Charge to Statement of P&L	As at 31st March, 2025	(Credit)/Charge to Statement of P&L	As at 31st March, 2024
Deferred tax Liability/(Asset) in relation to:					
Depreciation	9.54	0.49	10.03	(6.58)	3.45
Expenses allowable under Income tax when paid	13.57	(7.11)	6.46	(1.08)	5.38
On account of unabsorbed losses	0.52	(0.18)	0.34	0.07	0.41
MAT Credit entitlement	1.35	0.13	1.48	(0.11)	1.37
Total	**24.98**	**(6.67)**	**18.31**	**(7.70)**	**10.61**

Note No.21 OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Mobilisation advances received from customers	264.16	139.38	191.25	105.67
b) Advances received from customers against supplies or works	-	-	115.69	41.99
c) Provision for Loss in Associate	22.51	21.93	-	-
d) Statutory Liabilities	-	-	117.83	76.96
e) Deferred government grants	0.23	0.25	-	-
Total	**286.90**	**161.56**	**424.77**	**224.62**

Note: 1) The Parent Company received government grants in the nature of export incentives and same is utilised against import of capital goods and capitalised to Property, plant and equipment. The deferred government grant will be recognised in statement of profit and loss over the period in proportion to the depreciation expense on the assets to which such grants is utilised is recognised.

2) The segregation of mobilisation advances received from customers has been made based on the estimated work to be completed in next year and as per the terms of agreement entered with customers, turnover, terms of release of amount and estimates of the management.

Note No.22 SHORT TERM BORROWINGS

	As at 31st March, 2026	As at 31st March, 2025
A. Secured		
1. Loans repayable on demand :		
a) Working Capital Loans From Banks		
i) State Bank of India	18.40	127.95
ii) RBL Bank	44.98	88.41
iii) Axis Bank	34.93	20.04
iv) HDFC	24.88	-
v) IDFC First Bank	10.58	49.23
vi) Punjab National Bank	17.52	12.16
vii) Bank of India	16.90	14.93
viii) IndusInd Bank	9.96	11.48
ix) Union Bank of India	5.12	30.57
x) Bank of Baroda	37.89	18.07
xi) UCO Bank	9.80	30.87
xii) Central Bank of India	22.22	22.16
xiii) Bandhan Bank	5.93	27.51
xiv) Karnataka Bank	3.30	14.35
xv) IOB Bank	4.85	3.93
2) Current maturities of long-term debt (Refer Note no.17)	128.37	42.61

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

	As at 31st March, 2026	As at 31st March, 2025
B. Un Secured		
1. Loans repayable on demand :		
a) Working Capital Loans from Banks		
i) Bank of Bahrain & Kuwait*	65.07	63.15
2. Inter Corporate loan :		
i) From AMR India Limited	1.13	1.13
ii) From Relit Infratech Limited (formerly National Energy Trading and Services Ltd)	78.60	81.48
ii) From Solar Circle Power Projects LLP	2.62	-
C. Debentures		
Compulsorily Convertible Debentures from AMR India Limited**	0.00	-
Total	**543.05**	**660.03**

* The borrowing is secured by way of the following:

i) exclusive mortgage on the collateral property of lease hold Industrial Built up property at Noida, UP owned by Power Mech Industri Private Limited and

ii) Corporate Guarantee of Power Mech Industri Private Limited(subsidiary Company).

**Amounts below ₹1 Lakh

Note:

a) The Company used the borrowings for the purposes for which they were obtained.

b) Working capital loans from all the banks are secured by way of first charge on entire current assets of the respective companies on pari passu basis. Further these loans are secured by way of first charge on fixed assets both present and future,excluding those assets against which charge was given to equipment financiers.

The said loans are collaterally secured by way of equitable mortgage of immovable properties belonging to the Group, Managing director, director and a firm.

c) Overdraft facility from banks is secured against fixed deposits with banks.

d) All the above loans are guaranteed by Managing Director and a director of the Parent Company in their personal capacities.

e) The above loans carries interest varies from 7.75 % to 9.70 %

f) Registration, Modification and Satisfaction of charges relating to the loans sancationed/renewed during the year under review, had been filed with the Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.

g) The parent company has availed working capital facilities against security of current assets. The revised quarterly returns and statements comprising stock statements, payables and receivables (including retention and security deposit amounts) filed by the parent company with the banks subsequent to the quarterly review of accounts are in agreement with the unaudited books of the company of the respective quarters and no material discrepancies have been noticed.

h) The company has not been declared as wilful defaulter by any of the bank or any other institution during the year.

Note No.23 TRADE PAYABLES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Dues to : Small and Micro Enterprises	10.32	21.30
: Other than Small and Micro Enterprises (including Acceptances)*	1,164.16	908.68
Total	**1,174.48**	**929.98**

*The parent Company has entered into suppliers finance arrangements with finance providers wherein the suppliers are paid by the finance providers and the Company has to honour those dues to the finance providers. These facilities carries interest rate varies from 6.70% to 7.20% and is repayable within 30 to 180 days from the date of invoice. The above amounts of trade payables includes amounts received by suppliers from finance providers amounting to ₹80.29 cr (P. Year ₹58.28 cr)

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Ageing of Trade Payables as on 31st March, 2026

Particulars	Outstanding for following periods from the date of transaction					
	Unbilled dues	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	–	9.71	0.48	0.13	–	10.32
(ii) Others	12.24	936.22	142.34	41.42	31.94	1,164.16
(iii) Disputed dues MSME	–	–	–	–		–
(iv) Disputed dues others	–	–	–	–		–

Ageing of Trade Payables as on 31st March, 2025

Particulars	Outstanding for following periods from the date of transaction					
	Unbilled dues	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) MSME	–	21.09	0.19	0.00	0.02	21.30
(ii) Others	11.16	752.18	63.93	18.81	62.60	908.68
(iii) Disputed dues MSME	–	–	–	–	–	–
(iv) Disputed dues others	–	–	–	–	–	–

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on and to the extent of information obtained available with the Group, with regard to the status of their suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT), on which the auditors have relied, the disclosure requirement with regard to the payment made/ due to Micro, Small and Medium Enterprises are given below.

Particulars	As at 31st March, 2026	As at 31st March, 2025
1. Amount remaining unpaid, beyond the appointed / agreed day at the end of the year		
(a) Principal amount of bills to be paid	10.32	21.30
(b) Interest due there on	0.37	0.49
2. (a) Payment made to suppliers, during the year, but beyond appointed / agreed date Interest there on in terms of Sec 16 of the Act	21.30	1.46
(b) Interest paid along with such payments during the year	–	–
(c) Interest due and payable at the end of the year on such payments made during the year.	0.83	0.34
3. Amount of Interest for the year u/s 16 of the Act accrued and remaining un-paid at the end of the year	0.43	0.47
4. Total amount of interest u/s 16 of the Act including that arising in earlier years, accrued and remaining unpaid at end of the year.	1.26	0.83
5. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	–	–

Note No.24 CURRENT INCOME-TAX(ASSETS)/LIABILITIES (NET)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Income-tax	379.46	252.47
Less: Advance Income-tax and TDS	392.87	234.84
	(13.41)	17.63

Income-tax recognised in profit or loss

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current Tax		
Tax expense in respect of current year Income	156.68	148.23
Short / (Excess) Provision of Current tax	(4.19)	3.16
	152.49	151.39
Deferred Tax		
Deferred Tax Credit in respect of Current year	(6.67)	(7.70)
	(6.67)	(7.70)
Total tax expense recognised in statement of profit or loss	145.82	143.69

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.25 REVENUE FROM OPERATIONS

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Contract receipts:		
Income from contracts and services	6,049.90	5,220.24
Other operating revenue :		
Crane hire charges received	11.67	13.90
Total	**6,061.57**	**5,234.14**

Note No.26 OTHER INCOME

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Interest from banks and others	39.10	37.28
Interest on advances	1.06	0.21
Interest on unwinding portion of Rental Deposits (at amortized cost)	0.12	0.08
Profit on sale of assets	3.85	0.47
Rent received	0.45	1.08
Gain arising on financial assets mandatorily measured at FVTPL	-	0.01
Gain on exchange fluctuations	1.03	-
Dividend received	0.03	-
Forex Gain on revaluation	-	5.30
Sale of Duty credit scrip and deferment of govt. grants	0.03	0.12
Interest on Income tax refund	0.01	0.63
Total	**45.68**	**45.18**

Note No.27 COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Opening Stock	152.62	92.28
Add:Purchases	935.33	878.31
	1,087.95	**970.59**
Less : Closing Stock	218.90	152.62
Total	**869.05**	**817.97**

Note No.28 CHANGES IN INVENTORIES OF WORK -IN- PROGRESS

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Opening work-in-progress	45.34	29.54
	45.34	**29.54**
Closing work-in-progress	45.37	45.34
	45.37	**45.34**
Increase / (Decrease) in inventories	0.03	15.80

Note No.29 CONTRACT EXECUTION EXPENSE

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Sub-contract expenses	2,607.78	2,352.40
Radiography charges	16.67	12.58
Royalty Charges	611.20	455.91
Hire charges	145.22	49.18
Rent at Project sites	43.80	33.05
Power and fuel	9.75	8.65
Insurance	10.46	8.40
Vehicles movement and other freight expenses	21.89	36.49
Repairs and maintenance : Plant and machinery	32.24	27.06
Other assets	5.13	5.28
Fuel and vehicle maintenance	94.65	74.16
Travelling expenses at projects	13.11	14.86
Total	**3,611.90**	**3,078.02**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note No.30 EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Salaries and Wages	614.34	556.21
Remuneration to managerial personnel	30.26	22.32
Contribution to provident and other funds	49.56	37.36
Staff welfare expenses	50.88	43.81
Contribution towards group gratuity	10.23	3.66
Total	**755.27**	**663.36**

Note No.31 FINANCE COST

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Interest paid to banks and others	87.06	70.92
Bank charges and BG commission	16.44	16.32
Loan Processing charges	6.49	6.70
Interest on Income-tax	2.49	4.77
Exchange fluctuations on deferred credit payment	2.41	-
Finance cost on lease liability	0.75	0.71
Total	**115.64**	**99.42**

Note No.32 DEPRECIATION AND AMORTISATION

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Depreciation	71.41	52.43
Amortisation	1.40	0.60
Amortisation on Right-to-use assets (ROU)	1.72	2.77
Less: Amortisation of ROU capitalised during the year	(0.02)	-
Total	**74.51**	**55.80**

Note No.33 OTHER EXPENSE

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Directors Sitting Fee	0.22	0.17
Donations	0.63	-
Payments to auditors		
Towards Statutory audit	0.39	0.44
Towards tax audit and taxation matters	0.02	0.02
Rates and taxes	13.69	11.64
Consultancy and Professional charges	54.10	33.81
Loss arising on financial assets mandatorily measured at FVTPL	0.04	-
Miscellaneous expenses	35.43	22.59
Provision towards doubtful debts and advances	0.35	6.86
CSR expenses	7.38	5.12
Loss on sale of assets	0.23	0.50
Asset writtenoff	0.33	4.39
Investments in subsidiaries written off	0.12	-
Loss on exchange fluctuations	7.85	1.07
Total	**120.78**	**86.61**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note: 34 Categories of Financial instruments

The Carrying amounts and fair value of financial instruments by categories as at 31st March, 2026, 31st March, 2025 are as follows:

Particulars	Fair value		Carrying value	
	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Financial assets				
Measured at Amortised cost				
(i) Other financial assets	1,764.02	1,346.33	1,764.46	1,346.90
(ii) Loans and advances	47.51	15.45	47.51	15.45
Measured at FVTOCI				
(i) Investments in equity instruments and Mutual Funds	0.09	0.11	0.02	0.02
Measured at FVTPL				
(i) Investments in Mutual Funds	0.52	0.56	0.37	0.37
Measured at cost				
(i) Investment in Joint ventures & Associates	33.13	35.17	33.13	35.17
Total assets	**1,845.27**	**1,397.62**	**1,845.49**	**1,397.91**
Financial liabilities				
Measured at amortised cost				
(i) Borrowings (including current maturities of Long term borrowings)	236.61	105.82	236.61	105.82
(ii) Other financial liabilities	431.70	357.90	431.70	357.90
(iii) Lease liabilities	12.34	11.78	12.34	11.78
Total liabilities	**680.65**	**475.50**	**680.65**	**475.50**

Note: 35 Fair value hierarchy

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Group's financial assets are measured at the fair value at the end of each reporting period.

The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique and other inputs used).

Financial Assets	Fair Value as at		Fair Value hierarchy	Valuation technique and key input
	31st March, 2026	31st March, 2025		
1) Investments in Quoted Mutual Funds	0.60	0.67	Level I	Quoted bid prices in an active market
2) Investments in Quoted Equity Instruments*	0.00	0.00	Level I	Quoted bid prices in an active market

*Amounts below ₹1 Lakh

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

The Group has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and short term borrowings at carrying value because their carrying amounts approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of bank borrowings, other financial assets and financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Note: 36 Financial Risk Management

The group's business activities are exposed to a variety of financial risks namely credit risk, liquidity risk and foreign currency risk. The group's senior management has the overall responsibility for establishing and governing the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Board of Directors of the group.

A. Credit Risk

Credit risk is the risk of financial loss to the group if a customer fails to meet its contractual obligation. Credit risk encompasses of both the direct risk of default and the risk of deterioration of credit worthiness. Credit risk is controlled by monitoring and interaction with the customers on a continous basis.

Financial instruments that are subject to concentrations of credit risk principally consists of trade receivables, retentions, deposits with customers and unbilled revenue.

Receivables from customers

Concentration of credit risk with respect to trade receivables are limited since major customers of the Company are from public sector and accounts for more than 25% of its trade receivables. All trade receivables are reviewed and assessed for default on a monthly basis. On historical experience of collecting receivables credit risk is low.

The following table gives details in respect of dues from trade receivables including retentions and deposits and uncertified revenue.

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Turnover from top Customer	590.43	494.47
Dues from top customer	349.60	275.39
Turnover from other top 4 customers	1,357.32	1,341.64
Dues from other top 4 customers	491.65	513.14

Other financial assets

The group maintains exposure in cash and cash equivalents, term deposits with banks held as margin money against guarantees and retention money and security deposits with customers which are to be released on fulfillment of conditions as specified in the work orders.

The group's maximum exposure of credit risk as at 31st March, 2026, 31st March, 2026, is the carrying value of each class of financial assets.

B. Foreign currency risk management

Foreign currency risk is the risk that the Fair value or Future cashflows of an exposure will fluctuate due to changes in foreign currency rates. Exposures can arise on account of various assets and liabilities which are denominated in currencies other than Indian rupee. The Company has not entered in to any forward exchange contract to hedge against currency risk.

a) The group, in addition to its Indian operations, operates outside India through its project centres.

Particulars of Unhedged foreign currency exposures of Indian operations as at Balance sheet date:

Particulars	Currency	As at 31st March, 2026	As at 31st March, 2025
Letter of Credit	USD	29.21	20.00

Since the group has not entered into any forward contracts, there is a risk of foreign currency fluctuations.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

b) The Income and expenditure of the foreign projects are denominated in currencies other than Indian Currency. Accordingly the group enjoys natural hedge in respect of its assets and liabilities of foreign projects. The group's unhedged foreign currency exposure in respect of these project centres is limited to the uncovered amount, the particulars of which are given below.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net Foreign currency exposure in		
USD - US Dollars	-	0.14
AED - Arab Emirates Dirham	108.57	80.29
BDT - Bangladeshi Taka	20.72	20.60
KWD - Kuwaiti Dinar	-	(1.78)
Total	**129.29**	**99.25**

The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

The uncovered amount is subject to foreign currency fluctuations.

C. Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the group has availed credit limits with banks. The group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2026 and 31st March, 2025. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The group regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits.

The group is repaying its borrowings as per the schedule of repayment and no amount was pending for remittance beyond its due date.

In case of borrowings from banks, the maturity pattern has been given under Note no. 17.

D. Capital Management

Equity share capital and other equity are considered for the purpose of group's capital management.

The group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the group is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The group may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Equity	2,589.05	2,182.63
Short Term Borrowings	414.68	617.42
Long Term Borrowings (including Current maturities of Long term debt)	207.40	85.82
Cash and Cash Equivalents (including other bank balances)	(566.14)	(654.16)
Net Debt	**55.94**	**49.08**
Total Capital (Equity+Net Debt)	2,644.99	2,231.71
Gearing Ratio (Net Debt / Equity)	**2.16%**	**2.25%**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Note	Particulars	31st March, 2026	31st March, 2025
37	**Contingent Liabilities and Commitments**		
	A. Contingent Liabilities		
	a) Claims against the Company not acknowledged as debts		
	VAT	-	2.28
	Goods & Service Tax (GST)	6.19	10.29
	B. Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	1015.74	91.80
	C. The Company has filed claims and has also filled counter claims in several legal disputes related to construction contracts and same are pending before legal authorities. The Management does not expect any material adverse affect on its financial position.		
38	**Guarantees given by the Parent Company's bankers and outstanding. The said guarantees were covered by way of pledge of Fixed Deposit receipts with the bankers.**	2,807.58	1,661.46
39	**CIF value of Imports made by the Group during the year**		
	a) Consumables & Spare parts	7.12	10.75
	b) Capital goods	18.05	38.22
40	**Earnings in foreign exchange currency**		
	a) Contract receipts (Projects executed outside India)		
	Abu Dhabi	228.81	161.57
	Bangladesh	10.72	-
	Nigeria	74.60	68.11
	Sharjah	-	0.12
	Saudi	-	0.12
	Qatar	1.52	1.62
	Israel	-	0.27
	Senegal	2.79	2.76
41	**Expenditure in foreign currency**		
	a) Expenditure on contracts executed outside India (Including Consumables and Spares)		
	Abu Dhabi	175.43	129.44
	Bangladesh	12.11	57.50
	Kuwait	-	0.18
	Sharjah	-	0.04
	b) Foreign travel	0.04	0.17

42 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

	Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
a)	Gross amount required to be spent by the parent Company during the year *	6.87	4.76
b)	Amount spent during the year (Contribution paid to Power Mech Foundation/others)	6.96	4.91
c)	Related party transactions in relation to Corporate Social Responsibility	1.59	3.56
d)	Details of (excess)/short amount spent	(0.08)	(0.15)
e)	Nature of CSR activities undertaken by the Company		
	(i) Providing Education		
	(ii) Promoting health care		
	(iii) facilities for setting up home for Orphanages & Old-Age homes		

*Except for one subsidiary, the provisions of contribution to CSR under Section135 does not apply in respect of other Indian Companies in the group,

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

43 Enterprises consolidated as Subsidiaries in accordance with Indian Accounting Standard - 110 : Consolidated Financial Statements

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Hydro Magus Private Limited	India	88.10%
Power Mech Industri Private Limited	India	100.00%
Power Mech Projects Limited LLC	Oman	70.00%
Power Mech BSCPL Consortium Private Limited	India	51.00%
Power Mech SSA Structures Private Limited	India	100.00%
Aashm Avenues Private Limited*	India	100.00%
Power Mech Projects (BR) FZE	Nigeria	100.00%
Power Mech Environmental Protection Private Limited*	India	100.00%
KBP Mining Private Limited	India	74.00%
Energy Advisory and Consulting Services Private Limited*	India	100.00%
Kalyaneswari Tasra Mining Private Limited	India	74.00%
Vindyavasini Mining Works LLP	India	51.00%
Vanshika Mining Works LLP	India	51.00%
Kailash River Bed Minerals LLP	India	51.00%
Velocity Mining Works LLP	India	51.00%
PMTS Private Limited	India	100.00%
Power Mech Arabia Contracting Company	India	76.00%
Deoghar Ring Road Projects Private Limited	India	100.00%
PM Green Private Limited	Saudi Arabia	100.00%
Suryatna Projects Private Limited	India	60.00%

*The subsidiary companies have been voluntarily struck off during the year under Section 248(2) of the Companies Act, 2013, as thay have not carried on any business or operational activities during the immediately preceding two financial years and the struck off has been approved by their board of directors vide resolution dated November 30, 2025 in respect of Energy Advisory and Consulting Services Private Limited and Power Mech Environmental Protection Private Limited and dated February 10, 2026 in respect of Aashm Avenues Private Limited. The said application filed has been approved by Registrar of Companies.

Enterprises consolidated as Joint ventures in accordance with Indian Accounting Standard - 28 : Investment in Associates and Joint Ventures

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest/Profit sharing
GTA Power Mech NIGERIA Limited	Nigeria	50.00%
GTA Power Mech DMCC	Dubai	50.00%
M/s. PMPL- M/s. ACPL JV	India	80.00%
PMPL-STS JV	India	74.00%
PMPL-KHILARI Consortium JV	India	75.00%
PMPL-SRC INFRA JV -Mizoram	India	74.00%
PMPL-SRC INFRA JV -Hassan	India	60.00%
PMPL-BRCC INFRA JV	India	70.00%
PMPL-KVRECPL Consortium JV	India	82.00%
PMPL-PIA JV	India	79.00%
POWER MECH-TAIKISHA JV	India	66.00%
RITES-PMPL JV	India	51.00%
M/s. SCPL-PMPL JV	India	20.00%
PMPL-RSVCPL JV	India	75.00%
PMPL-UPPER BURHNER JV	India	60.00%
POWER MECH - KMV JV	India	70.00%

Enterprises consolidated as Associates in accordance with Indian Accounting Standard - 28 : Investment in Associates and Joint Ventures

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
MAS Power Mech Arabia (MASPA)	Saudi Arabia	49.00%
Power Mech LLC (Qatar)	Qatar	49.00%

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

44 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries, Joint Ventures and Associate.

Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
Power Mech Projects Limited	91.45%	2,367.67	71.59%	293.60
Subsidiaries				
Hydro Magus Private Limited	(0.11%)	(2.96)	(1.50%)	(6.14)
Power Mech Industri Private Limited	0.57%	14.87	1.51%	6.18
Power Mech SSA Structures Private Limited	(0.07%)	(1.94)	(0.00%)	(0.00)
Aashm Avenues Private Limited	0.00%	-	0.00%	0.01
Power Mech BSCPL Consortium Private Ltd	0.02%	0.45	(0.00%)	(0.00)
Power Mech Projects Limited LLC	(0.16%)	(4.27)	(0.04%)	(0.15)
Power Mech Projects (BR) FZE	0.49%	12.72	(0.62%)	(2.55)
Power Mech Environmental Protection Private Limited	0.00%	-	0.00%	0.02
KBP Mining Private Limited	1.54%	39.95	9.89%	40.55
Energy Advisory and Consulting Services Private Limited	0.00%	-	0.00%	0.00
Kalyaneswari Tasra Mining Private Limited	0.14%	3.74	0.40%	1.65
Vindyavasini Mining Works LLP	0.12%	3.17	0.32%	1.33
Vanshika Mining Works LLP	0.03%	0.89	0.09%	0.35
Kailash River Bed Minerals LLP	1.88%	48.57	7.37%	30.21
Velocity Mining Works LLP	0.18%	4.74	0.78%	3.19
PMTS Private Limited	0.03%	0.74	(0.02%)	(0.10)
Power Mech Arabia Contracting Company	0.01%	0.13	0.03%	0.13
PM Green Private Limited	(0.02%)	(0.47)	(0.11%)	(0.47)
Deoghar Ring Road Projects Private Limited	(0.11%)	(2.73)	(0.67%)	(2.73)
Suryatna Projects Private Limited	0.00%	-	0.00%	(0.00)
Joint Venture				
M/s. PMPL- M/s. ACPL JV	0.06%	1.61	(0.03%)	(0.11)
PMPL-KHILARI Consortium JV	0.02%	0.49	(0.01%)	(0.02)
PMPL-STS JV	0.03%	0.79	(0.01%)	(0.03)
PMPL-SRC INFRA JV (MIZORAM)	0.08%	2.08	0.02%	0.06
PMPL-SRC INFRA JV (HASSAN)	0.00%	-	0.00%	-
PMPL-BRCC INFRA JV	0.00%	-	0.00%	-
PMPL-KVRECPL Consortium JV	0.00%	-	0.00%	-
PMPL-PIA JV	0.00%	-	0.00%	-
POWER MECH-TAIKISHA JV	0.00%	-	0.00%	-
RITES-PMPL JV	0.00%	-	0.00%	-
SCPL - PMPL JV	0.00%	-	0.00%	-
PMPL-RSVCPL JV	0.00%	-	0.00%	-
PMPL-UPPER BURHNER JV	0.00%	-	0.00%	-
POWER MECH - KMV JV	0.00%	-	0.00%	-
GTA Power Mech NIGERIA Limited	0.00%	-	0.00%	-
GTA Power Mech DMCC	0.02%	0.45	0.00%	0.00
GTA Power Mech FZE	1.07%	27.70	(0.48%)	(1.96)
Associate				
MAS Power Mech Arabia (MASPA)	0.00%	-	(0.25%)	(1.04)
Power Mech LLC (Qatar)	0.00%	-	0.00	0.46
Share of Minority	2.73%	70.66	11.62%	47.67
	100%	**2,589.05**	**100%**	**410.09**

Notes on Consolidated Financials Statements

All amounts are in ₹Crores, except share data and where otherwise stated

ANNEXURE-A SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES,JOINT VENTURES AND ASSOCIATES AS PER COMPANIES ACT, 2013

Sr. No.	Name of Subsidiary Company / Joint Venture / Associate	Reporting Currency	Share Capital	Reserves & Surplus	Other Liabilities	Total Assets	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	% of Shareholding
Subsidiaries													
1	Hydro Magus Private Limited	INR	0.21	(0.67)	6.18	5.72	(4.84)	(6.97)	-	(6.97)	-	(6.97)	88%
2	Power Mech Industri Private Limited	INR	0.02	16.90	18.24	35.16	64.15	7.37	1.60	5.77	0.41	6.18	100%
3	Power Mech BSCPL Consortium Private Limited	INR	0.01	0.88	6.79	7.69	-	(0.00)	-	(0.00)	-	(0.00)	51%
4	Power Mech SSA Structures Private Limited	INR	0.10	(1.94)	3.61	1.77	-	(0.00)	-	(0.00)	-	(0.00)	100%
5	Aashm Avenues Private Limited	INR	-	-	-	-	-	0.01	-	0.01	-	0.01	100%
6	Power Mech Environmental Protection Private Limited	INR	-	-	-	-	-	0.02	-	0.02	-	0.02	100%
7	KBP Mining Private Limited	INR	0.01	53.98	197.71	251.70	248.49	73.16	18.36	54.79	-	54.79	74%
8	Energy Advisory and Consulting Services Private Limited	INR	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00	100%
9	Kalyaneswari Tasra Mining Private Limited	INR	0.01	5.05	236.77	241.83	107.09	2.91	0.69	2.22	-	2.22	74%
10	Vindyavasini Mining Works LLP	INR	0.01	6.22	57.83	64.06	73.34	4.00	1.39	2.60	-	2.60	51%
11	Vanshika Mining Works LLP	INR	0.01	1.75	50.46	52.22	54.09	1.02	0.34	0.69	-	0.69	51%
12	Kailash River Bed Minerals LLP	INR	0.01	95.23	90.49	185.74	726.98	91.05	31.81	59.23	-	59.23	51%
13	Velocity Mining Works LLP	INR	0.01	9.30	60.40	69.71	90.49	9.58	3.33	6.25	-	6.25	51%
14	PMTS Private Limited	INR	0.01	0.74	1.24	1.98	5.44	(0.05)	0.04	(0.09)	(0.01)	(0.10)	100%
15	PM Green Private Limited	INR	0.01	(0.47)	0.63	0.17	-	(0.47)	-	(0.47)	-	(0.47)	100%
16	Deoghar Ring Road Projects Private Limited	INR	0.01	(2.73)	156.97	154.25	42.35	(2.73)	-	(2.73)	-	(2.73)	100%
17	Suryatna Projects Private Limited	INR	0.01	(0.00)	9.39	9.40	0.00	(0.00)	-	(0.00)	-	(0.00)	60%
18	Power Mech Projects (BR) FZE	NGN	3.60	194.21	230.91	428.72	131.45	(87.23)	-	(87.23)	-	(87.23)	100%
19	Power Mech Projects Limited LLC	Oman Rials	0.03	(0.03)	0.01	0.00	-	(0.00)	-	(0.00)	-	(0.00)	70%
20	Power Mech Arabia Contracting Company	SAR	0.05	0.00	0.04	0.09	0.20	0.00	-	0.00	-	0.00	70%

Notes on Consolidated Financials Statements

All amounts are in ₹Crores, except share data and where otherwise stated

Sr. No.	Name of Subsidiary Company / Joint Venture / Associate	Reporting Currency	Share Capital	Reserves & Surplus	Other Liabilities	Total Assets	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	% of Shareholding
Joint ventures													
1	M/s. PMPL - M/s. ACPL JV (Capital introduced Nil)	INR	-	2.04	16.75	18.79	13.81	0.13	0.27	(0.14)	-	(0.14)	80%
2	PMPL-STS JV (Capital introduced Nil)	INR	-	1.06	0.75	1.81	2.13	0.17	0.20	(0.04)	-	(0.04)	74%
3	PMPL-KHILARI Consortium JV (Capital introduced Nil)	INR	-	0.65	11.44	12.09	0.01	(0.01)	0.03	(0.03)	-	(0.03)	75%
4	PMPL - SRC INFRA JV (MIZORAM) (Capital introduced Nil)	INR	-	3.02	13.84	16.86	12.93	0.14	0.05	0.09	-	0.09	74%
5	PMPL - SRC INFRA JV (HASSAN) (Capital introduced Nil)	INR	-	0.08	6.85	6.93	35.73	0.00	0.00	0.00	-	0.00	60%
6	PMPL-BRCC INFRA JV (Capital introduced Nil)	INR	-	-	130.22	130.22	26.48	-	-	-	-	-	70%
7	PMPL-KVRECPL Consortium JV (Capital introduced Nil)	INR	-	-	7.21	7.21	15.68	-	-	-	-	-	82%
8	PMPL-PIA JV (Capital introduced Nil)	INR	-	-	9.67	9.67	44.18	-	-	-	-	-	79%
9	POWER MECH-TAIKISHA JV (Capital introduced Nil)	INR	-	-	47.14	47.14	142.30	-	-	-	-	-	66%
10	RITES-PMPL JV (Capital introduced Nil)	INR	-	-	0.60	0.60	92.97	-	-	-	-	-	51%
11	SCPL-PMPL JV	INR	-	-	3.60	3.60	39.56	-	-	-	-	-	20%
12	PMPL-RSVCPL JV	INR	-	-	54.87	54.87	117.38	-	-	-	-	-	75%
13	POWER MECH - KMV JV	INR	-	-	26.23	26.23	116.35	-	-	-	-	-	70%
14	PMPL - UPPER BURHNER JV	INR	-		59.08	59.08	114.67	-	-	-	-	-	60%
15	GTA Power Mech NIGERIA Limited	NGN	3.00	196.68	38.26	237.93	0.15	(63.21)	-	(63.21)	-	(63.21)	50%
16	GTA Power Mech DMCC	AED	0.01	0.04	0.01	0.05	0.01	0.00	-	0.00	-	0.00	50%
Associates													
1	MAS Power Mech Arabia (MASPA)	SAR	0.25	(2.13)	2.11	0.23	-	(0.09)	-	(0.09)	-	(0.09)	49%
2	PROJECTS LIMITED LLC (Qatar)	Qatari Rials	0.01	(0.05)	0.14	0.10	0.41	0.04	-	0.04	-	0.04	49%

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All amounts are in ₹ Crores, except share data and where otherwise stated

45 Particulars disclosed pursuant to AS-18 "Related party transactions

A)

i) Key Managerial personnel	S. Kishore Babu, Chairman and Managing director of Power Mech Projects Limited
	S. Rohit, Whole time director of Power Mech Projects Limited (w.e.f 8th August, 2025)
	K.Ajay Kumar, Managing Director of Power Mech Industri Private Limited
	Deepak Ashok Singh Sengar, CEO of PMTS Private Limited (up to 7th Julay, 2025)
ii) Directors	S. Lakshmi w/o S.Kishore Babu
	Rajiv Kumar
	J P Chalasani
	Vivek Paranjpe
	Lasya Y
	Bontha Prasada Rao
iii) Relatives of Key Managerial personnel	S. Kishore Babu (HUF)
	S. Vignatha D/o S.Kishore Babu
	Nekkanti Sri sidartha (Son in Law of S.Kishore Babu)
iv) Companies/Firms controlled by KMP/ Relatives of KMP	Power Mech Infra Private Limited
	Bombay Avenue Developers Private Limited
	Power Mech Foundation
	Lakshmi Agro Farms
	Vaishno infra services
	Zetexa Global Private Limited
	Oprete.AI Private Limited
	Gaming ISLE Private Limited
	Southern Foods
	Oprete.AI Inc

B) Transactions with related parties

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/Relatives of KMP
i) Rent & Electricity Charges Paid				
a)	S. Kishore Babu	0.12		
		(0.31)		
b)	S. Lakshmi	0.12		
		(0.12)		
c)	S.Vignata		0.12	
			(0.12)	
d)	Power Mech Infra Private Limited			3.40
				(3.03)
ii) Remuneration Paid				
a)	S. Kishore Babu	20.67		
		(22.32)		
b)	S.Rohit	9.59		
		(0.97)		
c)	Ajay Kumar	0.06		
		(0.06)		
d)	Deepak Ashok Singh Sengar	1.86		
		(1.01)		
iii) Receipts from Sale of assets				
a)	Sajja Siva Rama Krishna Prasad		-	
			(0.00)	
iv) Payment of Consultancy service				
a)	Rajeev kumar	0.53		
		(0.53)		

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/Relatives of KMP
v)	**Amount paid towards donation / Corporate Social Responsibility (CSR)**			
a)	Power Mech Foundation			1.59
				(3.52)
vi)	**Sub-Contract Expenses & Hire charges Paid**			
a)	Vaishno infra services			2.92
				(0.81)

C) Balances outstanding as on 31st March, 2026

Sl No.	Particulars	KMP / Directors	Relatives of KMP	Companies controlled by KMP/Relatives of KMP
i)	Due to Power Mech Infra Private Limited			1.43
				(1.35)
	Rental Deposit with Power Mech Infra Private Limited			1.61
				(1.61)
	Dues From Power Mech Foundation			-
				(0.07)
ii)	Remuneration Payable			
	S. Kishore Babu	3.82		
		(2.42)		
	S. Rohit	3.10		
		(0.06)		
	Ajay Kumar	0.01		
		(0.01)		
	Deepak Ashok Singh Sengar	-		
		(0.16)		
iii)	Rent Payable			
	S. Kishore Babu	0.00		
		(0.00)		
	S. Lakshmi	0.01		
		(0.01)		
	S.Vignatha		0.01	
			-	
iv)	Trade Payable to Vaishno infra service			0.07
				(0.03)

Note: Previous year figures are enclosed in brackets

46 In the opinion of the management, current assets, loans and advances have a value on realisation in the ordinary course of business equal to the value at which they are stated. Balances in some of the parties account are subject to confirmation and reconciliation.

47 Segment reporting:

Business Segment : The group prodominently operates only in construction and maintenance activities. This in the context of Accounting standard-

108 Operating Segments" is considered to constitute only one business segment.

Geographical Segment: The group has operations within India and outside India and the Segment information is presented in consolidated financial

statements as mentioned in para 4 of AS -108.

Geographical Segment	Revenue for the year 2025-26	Segment Assets as on 31st March, 2026	Captial Expenditure for the year 2025-26
With in India	5,809.17	5,245.64	334.48
(Previous year)	(4,985.25)	(4,411.11)	(161.84)
Outside India	252.39	343.72	0.98
(Previous year)	(248.90)	(203.29)	(0.75)

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

48 Key Financial Ratios

Particulars	Numerator	Denominator	Unit of Measurement	FY 2025-26	FY 2024-25	Variation in %
Current Ratio	Current Assets	Current Liabilities	No.of times	1.71	1.80	(5%)
Debt-Equity Ratio#	Total Debt	Shareholder's Equity	No.of times	0.26	0.33	(23%)
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	No.of times	2.16	3.15	(31%)
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	%	15.49%	16%	(5%)
Inventory Turnover Ratio$	Cost of Goods sold	Average Inventory	No.of times	3.76	5.21	(28%)
Trade receivables Turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	No.of times	4.02	4.17	(4%)
Trade payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	No.of times	3.38	3.93	(14%)
Net Capital Turnover Ratio	Net Sales	Working Capital	No.of times	3.54	3.15	12%
Net Profit Ratio	Net Profit	Net Sales	%	6.80%	6.66%	2%
Return on Capital Employed	Earning before interest and taxes	Capital Employed	%	22.24%	23.10%	(4%)
Return on Investment						
(a) Return on Mutual funds	Income during the year	Time weighted average of investments	%	(2%)	2%	0%

#Variance in Debt Equity ratio is on account of increase in utilisation of working capital facilities during the year.

*Variance in Debt Service Coverage Ratio is on account of changes in the maturity profile of the loans availed by the Group.

$Variance in inventory turnover ratio is on account of increase in higher average inventory during the year

49 Calculation of Earnings per Share:

Sl.No	Particulars	2025-26	2024-25
1)	**Basic and Diluted Earning per share**		
	No. of shares at the beginning of the year	3,16,16,292	1,58,08,146
	Change in equity during the year	-	1,58,08,146
	Weighted average number of shares	3,16,16,292	3,16,16,292
	Face value per share (in ₹)	10.00	10.00
	Profit after tax attributable to equity share holders and after minority interest	363.99	326.48
	Basic and Diluted Earning per share (in ₹)	115.12	103.26

50 Leases

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) The following is the breakup of current and non-current lease liabilities		
Current liabilities	3.05	3.45
Non-current liabilities	9.29	8.33
Total	**12.34**	**11.78**
(ii) The following is the movement of lease liabilities		
Balance at the Opening/Transition date	11.78	3.99
Additions during the year	-	9.66
Finance cost accrued during the year	0.75	0.71
Payment of lease liabilities during the year	(0.20)	(2.57)
Balance at the end	**12.34**	**11.78**
(iii) Maturity analysis of lease liabilities		
Less than one year	3.05	3.45
One to five years	9.29	8.33
More than five years	-	-
Total	**12.34**	**11.78**

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

(iv) The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest on lease liabilities (Refer Note 31)	0.75	0.71
Depreciation of Right-of-use assets (Refer Note 4.2)	1.72	2.77
Rent expenditure that would have been charged to the Statement of Profit and Loss under Ind AS 17	0.20	2.57

(v) The impact on the profit for the year is not material.

51 Disclosure pursuant to Indian Accounting Standards

a) Movement in expected credit losses :

	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
	Retention money & security deposits with customers	Advances given to sub contractors against works	Retention money & security deposits with customers	Advances given to sub contractors against works
Opening balance	14.62	6.86	9.64	4.98
Changes in allowance for expected credit loss				
- Provision for expected credit loss	-	0.35	4.98	1.88
- Reversal of Provision for expected credit loss	-	-	-	-
Closing balance	**14.62**	**7.20**	**14.62**	**6.86**

Pursuant to Ind AS 115 " Revenue from contracts with customers

b) Movement in contract balances :

Particulars	As at 31st March, 2026	As at 31st March, 2025	Net increase/ Decrease
Contract Receivables			
Dues from customers	1,546.79	1,462.22	84.57
Contract assets			
Retention & SD amounts due from customers	380.50	304.93	75.57
Contract payables			
Due to Sub Contractors	708.57	631.01	77.56
Contract Liabilities			
Retention & SD amount due to Sub Contractors	210.29	189.87	20.42

c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price :

There is no difference in the contract price negotiated and the revenue recognised in the statement of profit and loss for the current year. There is no significant revenue recongnised in the current year from performance obligations satisfied in the previous periods .

d) Performance obiligation :

The transaction price allocated to the remaining performance obligations is ₹55,151 Cr which will be recognised as revenue over the respective project durations.Generally the project duration of contracts with customers will be 1-30 years.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

52 Dividend:

The board of Directors of the parent Company at its meeting held on 20th May, 2026 have recommended a dividend of ₹1.50/- each per share of face value of ₹. 10/- each for the financial year ended 31st March, 2026. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognised as a liability.

53 Other disclosures: Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(a) Relationship with Struck off Companies

The Companies in the group did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act,1956 considering the information available with the group.

(b) Compliance with number of layers of Companies

The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration."

(c) Scheme of arrangements

There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

(d) Advance or loan or investment to intermediaries and receipt of funds from intermediaries

The Companies in the group have not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Companies in the group have also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(e) Undisclosed Income

The companies in the group do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

(f) Details of Crypto Currency or Virtual Currency

The companies in the group did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.

54 Wage Code

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment.

Notes to the Consolidated Financial Statements

All amounts are in ₹ Crores, except share data and where otherwise stated

Based on the draft rules and FAQs issued by the ministry of labour and employment and best available information, the Company has assessed the implications of Labour Codes which has resulted in increase in gratuity liability arising out of past service cost by ₹3.51 Cr. Considering the impact arising out of an enactment of the new legislation is not material to the financial statements, the amount has been recognised as part of employee benefits expense in the Statement of Profit and Loss and has not been presented separately as an exceptional item for the year ended 31st March, 2026.

The Company continues to monitor the finalisation of central/state rules and other developments pertaining to labour codes and would provide appropriate accounting effect based on the developments, if any.

55 Previous year figures have been regrouped wherever necessary to conform to current year classification.

As per our report of even date

For **BRAHMAYYA & CO**
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership Number: 202309

Place: Hyderabad
Date: 20th May, 2026
UDIN: 26202309QJXPIZ8445

For and on behalf of the Board

Sd/-
S.Kishore Babu
Chairman and Managing Director
DIN: (00971313)

Sd/-
N Nani Aravind
Chief Financial Officer

Sd/-
M Raghavendra Prasad
Company Secretary
Membership Number: A41798

POWER MECH PROJECTS LIMITED
CIN: L74140TG1999PLC032156
Registered and Corporate Office:
Plot No. 77, Jubilee Enclave, Madhapur, Hyderabad - 500081, Telangana.
Tel: +91 40 30444444 | Fax: +91 40 30444400
E-mail: info@powermech.net | www.powermechprojects.com
POWER MECH PROJECTS LIMITED